

CALLEGUAS MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
May 20, 2020

**MINUTES**

The meeting of the Board of Directors of Calleguas Municipal Water District was held telephonically and via videoconference in accordance with Executive Orders N-25-20, N-29-20, and N-33-20 of the State of California on May 20, 2020.

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 Via Teleconference or Videoconference: Thomas L. Slosson, President  
Andres Santamaria, Vice President  
Scott Quady, Treasurer  
Andy Waters, Secretary  
Steve Blois, Director

Staff Present at District Headquarters and Participating Via Videoconference: Anthony Goff, General Manager  
Rob Peters, Manager of Operations and Maintenance  
Dan Smith, Manager of Administrative Services

Staff Present via Videoconference: Henry Graumlich, Associate General Manager  
Dan Drugan, Manager of Resources  
Kristine McCaffrey, Manager of Engineering  
Kara Wade, Clerk of the Board

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

**B. MINUTES**

On a motion by Director Blois, seconded by Director Quady, the Board of Directors voted 5-0 to approve the May 6, 2020 minutes.

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

NOES: None

**C. WRITTEN COMMUNICATION**

**1. Letter dated May 14, 2020, to the Department of Water Resources (DWR) - Comment Letter on the Groundwater Sustainability Plan (GSP) for the Las Posas Valley Basin**

The General Manager said that, through this letter, Calleguas revisited unaddressed technical comments provided during previous rounds of the Fox Canyon Groundwater Management Agency (GMA) public comment period regarding the GSP for the Las Posas Valley Basin. DWR opened a 75-day public comment period which closed on May 15, 2020. While DWR will not respond to public comments directly, they will consider comments during their evaluation of the GSP. No action was taken.

**D. ORAL COMMUNICATION**

None

**E. GENERAL MANAGER**

**1. Public Hearing and discussion regarding Resolution No. 1991, amending the District's Conflict of Interest Code**

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF CALLEGUAS MUNICIPAL WATER DISTRICT  
AMENDING A CONFLICT OF INTEREST CODE

At 5:05 p.m., President Slosson opened the public hearing. There was no public comment. At 5:07 p.m., President Slosson closed the public hearing.

On April 1, 2020, the Board adopted a resolution stating its intent to amend Calleguas' Conflict of Interest Code to: (a) add the Associate General Manager position and remove the Manager of Strategic Planning position; and (b) add the Manager of Administrative Services position and remove the Manager of Finance and Human Resources position from the designated positions in the Conflict of Interest Code because these positions have been retitled.

A notice regarding the amended Conflict of Interest Code and public hearing was posted on Calleguas' notice board throughout the comment period and published twice in the Ventura County Star. No comments were received.

On a motion by Director Quady, seconded by Director Waters, the Board of Directors voted 5-0 to adopt Resolution No. 1991. Resolution No. 1991 is attached and made part of these minutes.

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

## F. ADMINISTRATIVE SERVICES

### 1. April 2020 Water Use and Sales, March 2020 Power Generation, and April 2020 Investment Summary Reports

The Manager of Administrative Services presented the subject reports. No action was taken.

### 2. Disbursements for the District's monthly activities for April 2020

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. Discussion regarding approval of professional services by Nigro & Nigro, PC, Certified Public Accountants, to perform the District's annual audit and prepare the District's Financial Statements for a three-year period for an amount not-to-exceed \$91,500

The Manager of Administrative Services said that the proposed action was to award the contract to perform auditing services for the District for the next three years. The District will also have an option to extend the contract on an annual basis up to an additional two years. Proposals were received from 11 prospective auditing firms. Staff reviewed the proposals and based the selection on several factors, including firm experience auditing governmental entities and water districts, proposed audit staff's experience auditing governmental agencies and water districts, references, and price. After interviewing 10 finalists, staff recommended that the contract be awarded to Nigro & Nigro, PC.

Nigro & Nigro, PC, has performed audits on numerous cities and special districts, including Casitas Municipal Water District, Palmdale Water District, El Toro Water District, and East Orange County Water District.

On a motion by Director Blois, 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

## G. OPERATIONS AND MAINTENANCE

None

## H. RESOURCES AND PUBLIC AFFAIRS

None

## I. ENGINEERING AND CONSTRUCTION

### 1. Discussion regarding the failure of the Salinity Management Pipeline Phase 1A at Sta 111+50

The Manager of Engineering provided an update on the findings regarding the failure of the Salinity Management Pipeline Phase 1A at Sta 111+50. No action was taken.

### 2. Discussion regarding approval of a capital project budget increase in the amount of \$260,000 for LVMWD-CMWD Interconnection (Project No. 450)

The Manager of Engineering said that the LVMWD-CMWD Interconnection is a cost-effective means of improving the reliability and flexibility of Calleguas' and LVMWD's potable water systems. The interconnection will improve the ability of Calleguas and LVMWD to provide potable water to their customers during an interruption in imported water supply to either agency. The interconnection includes the following main components:

- Underground Pump Station and Pressure Regulating Station (PS/PRS)
- 30-inch diameter interconnection pipeline from the PS/PRS to a connection to an existing Calleguas pipeline at the intersection of Kanan Rd. and Lindero Canyon Rd.
- Relocated Triunfo Water & Sanitation District (TWSD) Turnout (to replace the existing Falling Star Turnout) at the intersection of Kanan Rd. and Lindero Canyon Rd.

The level of effort required for several aspects of the design, permitting, and right-of-way acquisition process is higher than anticipated as follows:

- Right-of-Way Acquisition for Relocated TWSD Turnout: Additional right-of-way is required for the relocation of the TWSD Turnout, as well as the Southern California Edison (SCE) facilities to serve the relocated turnout. These costs were not anticipated in the initial budget, as relocation of the turnout was not originally planned and is due to pipeline alignment changes resulting from public outreach and the California Environmental Quality Act process. The costs associated with the right-of-way include the costs of appraisals, legal descriptions, easement documentation, right-of-way agent services, and the easement rights themselves. Additionally, right-of-way acquisition at this location has proven to be complex, and significant assistance from Right-of-Way Legal Counsel has been needed and is anticipated to be needed in the future.

- SCE Coordination: Staff has expended significant effort coordinating with SCE service planning and right-of-way staff for both the PS/PRS and the TWSD Turnout sites. This includes a detailed “consent review” process for the new interconnection pipelines and facilities that cross existing SCE easements and facilities, similar to what is required for an encroachment permit in the public right-of-way.
- Design Phase Potholing: As a result of the SCE coordination efforts and consent review process, design phase potholing of existing high-voltage duct banks at the PS/PRS was necessary in order to finalize the design of new interconnection pipeline crossings at those duct banks. Additional design phase potholing of existing SCE duct banks will be performed at the TWSD Turnout to finalize the design of that facility in support of the consent review process.

To ensure that there is sufficient capital project budget to complete design, permitting, and right-of-way acquisition, staff requested a capital project budget increase of \$260,000 at this time.

It was noted that the Department of Water Resources has recommended this project for \$3.5 million in funding under the Proposition 1 Integrated Regional Water Management Implementation Grant Program.

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

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

NOES: None

**3. Discussion regarding authorization of a budget increase in the amount of \$800,000 for the contract for As-Needed Pipeline Services**

The Manager of Engineering said that, on September 4, 2019, the Board awarded the annual contract for As-Needed Pipeline Services to Lash Construction, Inc. (Lash). The award estimated an annual expenditure of approximately \$400,000, with the option to extend the annual contract two additional years, at Calleguas’ option. However, a budget of only \$400,000 was requested, rather than the \$1.2 million that would be needed for a three-year term.

Lash has been very responsive to Calleguas, even when the work has involved short notice, long hours, weekends, and overnight work. In order to expeditiously complete the emergency repair of Salinity Management Pipeline Phase 1A earlier this year, Lash was authorized to complete the emergency work under the As-Needed Pipeline Services contract. The emergency repair has expended the entire initial \$400,000 budget.

In order to continue to allow staff to contract for work under the As-Needed Pipeline Services contract, authorization for additional budget was requested.

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

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

## **J. WATER POLICY AND STRATEGY**

The Associate General Manager discussed Metropolitan Water District of Southern California's (Metropolitan's) update to its Integrated Regional Water Resources Plan (IRP). The plan is Metropolitan's principal planning tool for meeting water supply reliability over the next 25 years. The Associate General Manager provided an overview of the scenario planning process and opportunities for stakeholders to participate in identifying drivers of change. The Board will be informed through periodic updates as the plan progresses.

## **K. DISTRICT COUNSEL**

District Counsel said that the courts have been closed since mid-March and it is unclear as to when they will re-open. Phase one of the litigation has been delayed for many months due to the COVID-19 Pandemic. He said that, on June 12, 2020, a Case Management Conference will be conducted in the Las Posas litigation. At 6 p.m. on May 20, 2020 District Counsel received an email stating that the Fox Canyon GMA submitted a notification that it has changed legal counsel from Nossaman, LLP to Stoel Rives, LLP.

## **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 referred to the summary report for the Metropolitan Board Meeting on May 12, 2020 that was included in the packet. He discussed in more detail the Board's discussion about the approval of the water service standby charge, repair work

performed on the Santa Ana Feeder, approval of a bond disclosure appendix containing a description of Metropolitan relevant to prospective bond investors, and the discussions surrounding the process to recruit a new general manager for Metropolitan.

**M. CLOSED SESSION**

None

**N. OTHER BUSINESS**

None

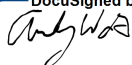
**O. FUTURE AGENDA ITEMS**

None

**P. ADJOURNMENT**

Director Slosson declared the meeting adjourned at 6:11 p.m.

Respectfully submitted,

DocuSigned by:  


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Andy Waters, Board Secretary