

CALLEGUAS MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS MEETING
June 17, 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 June 17, 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 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
Dan Drugan, Manager of Resources
Rob Peters, Manager of Operations and Maintenance
Dan Smith, Manager of Administrative Services

Staff Present via Videoconference: Tricia Ferguson, General Services Supervisor
Henry Graumlich, Associate General Manager
Kristine McCaffrey, Manager of Engineering
Sue Taylor, Accounting Supervisor
Kara Wade, Clerk of the Board

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

Consultant Present via Videoconference: Helen Streck, President and CEO, Kaizen InfoSource, LLC

B. MINUTES

On a motion by Director Blois, seconded by Director Quady, the Board of Directors voted 5-0 to approve the June 3, 2020 minutes.

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

NOES: None

C. WRITTEN COMMUNICATION

1. H.R. 7073 (Garamendi), the “Special Districts Provide Essential Services Act” (Support)

The Manager of Resources said that the District submitted a letter to Congresswoman Brownley, Congressman Garcia, Senator Feinstein, and Senator Harris urging support of H.R. 7073, the “Special Districts Provide Essential Services Act”, which would bring much-needed relief resources to special districts in our community, throughout California, and across the nation. Currently, special districts are ineligible for direct federal financial assistance under the CARES Act. Representative Garamendi’s legislation would ensure that the 2,700 special districts in California and 30,000 special districts nationwide are eligible for any additional federal assistance provided by Congress to state, county, and local governments to aid in the fight against COVID-19. No action was taken.

D. ORAL COMMUNICATION

None

E. GENERAL MANAGER

None

F. ADMINISTRATIVE SERVICES

1. May 2020 Water Use and Sales, April 2020 Power Generation, and May 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 May 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. Consideration of the proposed Fiscal Year 2020/21 Budget

The Accounting Supervisor said that the proposed budget was presented at the May 27, 2020 Special Board meeting and discussed in detail. Since that meeting, staff

continued to examine ways to reduce the operating budget. This current budget reflects an additional \$124,250 reduction in expenditures. The reductions include cuts to the Administration travel budget, Administration outside services budget, Operations and Maintenance outside services budget, and the suspension of fleet vehicle purchases.

On a motion by Director Quady, seconded by Director Waters, the Board of Directors voted 5-0 to adopt the proposed Fiscal Year 2020/21 Budget.

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

NOES: None

4. Discussion regarding professional services to be performed in Fiscal Year 2020/21 on contracts without a fixed scope and fee

The Manager of Administrative Services said that Ordinance No. 18 requires Board approval of professional services to be performed on contracts without a fixed scope and fee in the following cases:

- Engineering services, engineering studies, land surveying, project permitting, environmental compliance, construction related services, computer programming, or groundwater services for which the estimated value is greater than \$100,000 in any fiscal year
- Any other services for which the estimated value is greater than \$34,999 in any fiscal year

Whenever possible, professional services are performed on a not-to-exceed basis tied to a specific scope of work, but sometimes it is not possible to define the scope ahead of time. Examples include inspection services, which depend on the quality and duration of a contractor's work, or software troubleshooting work, which depends on how many problems arise during the year. In such cases, staff obtains hourly rates for the consultants and approves payment for work monthly, as services are provided.

Enclosed in the packet was a list of the consultants and not-to-exceed amounts for which staff is seeking Board approval for the upcoming fiscal year. Funds are included in the proposed Fiscal Year 2020/21 budget.

On a motion by Director Santamaria, seconded by Director Blois, the Board of Directors voted 5-0 to approve the Fiscal Year 2020/21 not-to-exceed amounts for these professional services.

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

NOES: None

5. First Quarter 2020 Consultant Report

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

6. Discussion regarding a request from City of Thousand Oaks for a waiver of a \$10,045.37 charge for late payment of its April 2020 invoice

The Manager of Administrative Services said that a letter from the City of Thousand Oaks, dated June 5, 2020, requested that the District waive the late charge related to their April 2020 invoice payment. The payment was due on Friday, May 29, and received by wire transfer on Wednesday, June 10. Per the letter from the City of Thousand Oaks, the error occurred due to a change in accounts payable processes brought on by the COVID-19 pandemic. As soon as the City became aware of the issue, they began working on processing the invoice for payment.

In accordance with Ordinance No. 12, the City of Thousand Oaks was assessed a one percent penalty on its April invoice. Board approval is required if the fee is to be waived.

The City of Thousand Oaks has an outstanding payment history and the District was unable to find any instances of late payments in the past 10 years. Due to the nature of the COVID-19 pandemic that resulted in substantial changes in work processes and the outstanding payment history of the City of Thousand Oaks, staff recommended waiving this late charge.

On a motion by Director Quady, seconded by Director Waters, the Board of Directors voted 5-0 to grant a waiver of the late charge.

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

NOES: None

G. OPERATIONS AND MAINTENANCE

1. Discussion regarding an award of contract to California Fuels for provision of gasoline pursuant to a California Department of General Services Fuel Contract

The Manager of Operations and Maintenance said that the proposed action is to award a contract to California Fuels for provision of gasoline for an amount not to exceed \$125,000 for the period of July 1, 2020 through June 30, 2021. The proposed procurement would be pursuant to a state procurement contract.

The price for gasoline purchased under this contract is tied to a standard rate which varies according to specified industry benchmarks. The price under the same contract in 2019 averaged \$2.96 per gallon.

On a motion by Director Waters, seconded by Director Santamaria, the Board of Directors voted 5-0 to authorize the General Manager to enter into the contract.

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

NOES: None

2. Discussion regarding the adoption of the Records and Information Management Policy and Records Retention Schedule

A RESOLUTION OF THE BOARD OF DIRECTORS OF CALLEGUAS
MUNICIPAL WATER DISTRICT
ADOPTING THE RECORDS AND INFORMATION MANAGEMENT POLICY AND
RECORD RETENTION SCHEDULE

The General Services Supervisor said that, for the past year, General Services staff worked with the District's consultant, Kaizen InfoSource, LLC, on the development of an updated Records and Information Management Policy and Records Retention Schedule. With this work recently completed, staff seeks the adoption of the Records and Information Policy and Records Retention Schedule by the Board of Directors to authorize the destruction or disposition of any category of records in accordance with California Government Code §§60200 et. seq.

On a motion by Director Blois, seconded by Director Quady, the Board of Directors voted 5-0 to adopt Resolution No. 1993 authorizing the implementation of the Records and Information Management Policy and Records Retention Schedule for the District. Resolution No. 1993 is attached and made part of these minutes.

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

NOES: None

3. 2020 Annual Water Quality Report

The General Manager said that the 2020 Annual Water Quality Report was updated to reflect the correction of a typographical error in the reporting of Perfluorohexanoic Acid (PFHxA) from 26 to 2.6 parts per trillion.

H. RESOURCES AND PUBLIC AFFAIRS

None

I. ENGINEERING AND CONSTRUCTION

1. Discussion regarding Easement Agreement for Permanent and Temporary Construction Easements for OSR Feeder, Las Posas Feeder and Misc. Valve Improvements, Project No. 442 (Delta-JC, LLC)

The Manager of Engineering said that, in accordance with the Real Property Acquisition Agreement the Board approved on June 3, 2020, Calleguas has issued a check for \$7,000 as payment for the easements and Delta-JC LLC has executed the Easement Agreement. The agreement grants Calleguas a permanent easement and a temporary construction easement to enable construction of a bypass at Pressure Regulating Station No. 6A. This item seeks Board approval for the execution of documents to finalize the Easement Agreement and accept the easements granted thereunder.

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 Easement Agreement and the certificate of acceptance for Parcel CMWD 2039.

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

NOES: None

J. WATER POLICY AND STRATEGY

The Associate General Manager noted the continued progress on Metropolitan's Integrated Water Resources Plan's scenario planning process. The initial step in that process is to identify drivers of change that would inform a scenario planning framework. Metropolitan staff is soliciting input from stakeholders, Metropolitan member agencies, and Metropolitan directors through a survey rating the relative significance of drivers for future water supply reliability in southern California. The General Manager, Associate General Manager, Manager of Engineering, and Manager of Resources conferred on the survey and submitted a District staff perspective.

K. DISTRICT COUNSEL

District Counsel said that, a Case Management Conference had been scheduled for June 12, 2020 regarding the Las Posas Litigation and was continued by Judge Anderle to July 10, 2020. District Counsel also informed the Board that a new lawsuit has been filed by the Las Posas Basin Water Rights Coalition against Fox Canyon Groundwater Management Agency (FCGMA) alleging flaws in the Groundwater Sustainability Plan developed by FCGMA.

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 June 9, 2020 that was included in the packet. He said that the majority of the meeting was listening to public comments regarding SB 625. The proposed bill would dissolve the current board of directors of Central Basin Municipal Water District (MWD) and suspend its November 3, 2020 election for directors of the district. Citing insolvency and irregularities in governance, the bill would place Central Basin MWD in receivership under the administration of the Water Replenishment District of Southern California pending a review by the County of Los Angeles Local Area Formation Commission on operations and governance. Metropolitan has taken a neutral position on the bill.

M. CLOSED SESSION

None

N. OTHER BUSINESS

None

O. FUTURE AGENDA ITEMS

None

P. ADJOURNMENT

Director Slosson declared the meeting adjourned at 6:01 p.m.

Respectfully submitted,

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Andy Waters, Board Secretary

RESOLUTION NO. 1994

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALLEGUAS MUNICIPAL WATER DISTRICT
IMPOSING WATER STANDBY CHARGES

- A. WHEREAS, the Calleguas Municipal Water District ("Calleguas") was formed pursuant to the Municipal Water District Act of 1911 (Water Code §§ 71000 through 73001); and
- B. WHEREAS, pursuant to Water Code section 71630, et seq., Calleguas may levy water standby charges ("Water Standby Charges"); and
- C. WHEREAS, Calleguas' Board of Directors, pursuant to Government Code section 54984 et seq. entitled "Uniform Standby Charge Procedures Act" (the "Act") may fix on or before August 10 in each year a Water Standby Charge whether the water services are actually used or not; and
- D. WHEREAS, the amount of revenue to be raised by Water Standby Charges shall be determined by the Board; and
- E. WHEREAS, the Act authorizes Calleguas to impose on land within Calleguas' district Water Standby Charges on an area, frontage, or parcel basis or a combination thereof, whether the water or water services are actually used or not; and
- F. WHEREAS, the Act authorizes Calleguas to establish schedules varying the Water Standby Charge according to land use, benefits derived or to be derived from the use or availability of facilities to provide water or water services, or the degree of availability or quantity of the use of the water or water services to be affected; and
- G. WHEREAS, the Water Standby Charges proposed by the General Manager of Calleguas ("General Manager") are based upon the report of a qualified engineer entitled "Calleguas Municipal Water District, Standby Charge, Engineer's Report, May 2017," on file with Calleguas; upon recommendations and suggestions made by the General Manager during numerous Board meetings over a significant period of time; and upon consideration of suggestions made by members of the public during the public hearings and at other times; and
- H. WHEREAS, the proposed Water Standby Charge has been imposed in prior fiscal years and has remained the same since the 1993-1994 Water Standby Charge; and
- I. WHEREAS, previous resolutions made provision for application for exemption from proposed Water Standby Charges.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF CALLEGUAS MUNICIPAL WATER DISTRICT RESOLVES AS FOLLOWS:

SECTION 1. RECITALS CONSTITUTE FINDINGS

The foregoing recitals are true and correct and shall constitute legislative findings by this Board.

SECTION 2. PARCELS INCLUDED

The Board hereby incorporates by reference as if set forth at length herein, for the purpose of describing the land upon which the Water Standby Charge is to be imposed, the electronic report on file at Calleguas entitled "Proposed 20-21 Standby Charges - Calleguas Municipal Water District," which is a list of the parcels in the district and which includes the assessor parcel number of each such parcel.

SECTION 3. SCHEDULE OF CHARGES

There is hereby established a Water Standby Charge as follows:

A. Multiple Unit Land Use Codes shall be applicable to the property described below:

<u>Assessor Use Code</u>	<u>Description</u>	<u>Charge per Acre</u>
1120	Factory built housing	\$5
1128	Attached SFR-not condominium	5
1129	Condominium	5
1150	5-9 Living units-apartments	25
1160	10 or more living units-apartments	50
1200	Group quarters	5
1210	2 Family dwelling-duplex	10
1222	2 Single family dwellings on a parcel	10
1300	Residence and Apartment Hotel	5
1310	3 Family dwelling-triplex	15
1321	3 Family dwelling-duplex & a single	15
1333	3 Individual family dwellings	15
1400	Mobile home park	20
1410	4 Family dwelling-quadruplex	20
1420	4 Family dwellings-2 duplex	20
1421	4 Family dwelling-triplex & single	20
1432	4 Family dwelling-duplex & 2 singles	20
1444	4 Individual family dwellings	20
1511	Hotel-transient lodging	50
1512	Motel-transient lodging	50
1513	B&B/Transient Lodging	50

B. Non-High Density Land Use charge shall be as follows:

Charge for parcels greater than 1 Acre - \$5.00/Acre/Year; Charge for parcels less than 1 Acre - \$5.00/Year.

SECTION 4. EXEMPTIONS

Notwithstanding the foregoing section, the following land shall be exempt from Water Standby Charges:

A. Lands owned by the government of the United States, the State of California, or by any political subdivision thereof, or unit of local government;

B. Lands permanently committed to open space and maintained in their natural state that are not now and will not be in the future supplied with water by Calleguas;

C. Lands not included in either of the categories above which the General Manager finds do not now and cannot reasonably be expected to derive a benefit from the projects to which the proceeds of the Water Standby Charge will be applied.

SECTION 5. EXEMPTION PROCEDURES

The General Manager may develop and implement administrative guidelines which establish specific procedures for filing an "Application for Exemption" from the Water Standby Charge pursuant to subsections B and C of Section 4 above, provided that:

A. An application for such exemption and documentation supporting such claim must be submitted to Calleguas in the prescribed manner. The General Manager is further directed to review any such Application for Exemption to determine whether the lands to which it pertains are eligible for such exemption, and to allow or disallow such application based upon the guidelines;

B. An Application for Exemption shall be deemed timely as to a Water Standby Charge established for any year if it is filed within two (2) years after the date the Resolution fixing the charge is adopted;

C. If the General Manager denies an Application for Exemption, the owner may file an appeal with the Board within sixty (60) days after such denial.

D. The parcel which is the subject of the application will become subject to enforceable restrictions which prohibit the use of water on the parcel, except as a result of groundwater pumping, rainfall or runoff, provided that, if considered appropriate by the General Manager, Calleguas' water may be used for limited domestic irrigation uses;

E. The owner executes a recordable agreement which includes provisions that:

1. Set forth the reasonable enforceable restrictions pertinent to the subject parcel;

2. The recordable agreement may be terminated upon written request by the owner and acceptance by Calleguas after payment of all deferred Water Standby Charges, plus interest thereon compounded annually and accruing at the same interest rate that Calleguas' operational funds draw (as distinguished from savings and investment accounts) from the date such charges would have been otherwise due and payable.

SECTION 7. APPEALS

A. The General Manager shall also establish reasonable procedures for the filing and timing of appeals from his/her determination;

B. If the General Manager denies an Application for Exemption, the owner may file an appeal with the Board within sixty (60) days after such denial.

C. The Board shall consider all appeals from the decisions by the General Manager within a reasonable time and its decisions in such matters shall be final.

SECTION 8. CHARGE APPLICABLE TO EACH PARCEL OF LAND

The Water Standby Charge shall be applicable to each parcel of land as established by and according to the records of the County Assessor of Ventura County and in accordance with the provisions of this Resolution.

SECTION 9. IMPLEMENTATION OF RESOLUTION

The Board of Supervisors of Ventura County is directed to levy on behalf of Calleguas Municipal Water District, in addition to any other tax assessment, charge or levy, a Water Standby Charge in the amounts and on the respective parcels identified for it by the Board through the appropriate medium which the General Manager has caused to be delivered to the Ventura County Auditor at the prescribed time, and that:

A. The Water Standby Charge shall be levied by all County of Ventura Officers charged with the duty of collecting, receiving, and dispersing property taxes;

B. The Water Standby Charge shall be collected in the same form and manner as the County property taxes and the proceeds shall be paid to Calleguas;

C. Calleguas shall reimburse the County of Ventura for necessary costs and expenses of levying and collection of the Water Standby Charge for Calleguas;

D. The Water Standby Charge imposed by Calleguas shall be a lien against the parcel of land upon which said charge is imposed and shall be enforced by the same means as provided for the enforcement of liens of County property taxes.

SECTION 10. REFUND OF CHARGES

Calleguas reserves the right to make, upon receipt of a written request, a refund of the Water Standby Charge collected and paid to Calleguas by the Ventura County Tax Collector or other County official if the General Manager or the Board determines that a refund is reasonable and appropriate under all of the circumstances.

SECTION 11. DELINQUENT CHARGES

Water Standby Charges that have become delinquent, together with interest and penalties thereon, are a lien on the property when a certificate is filed in the Office of the County Recorder pursuant to Section 54984.9(b) of the Act, which lien has the force and effect and priority of a judgment lien.

SECTION 12. CEQA

The levying of the Water Standby Charge on a property within Calleguas is exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080(b)(8), since the charges are necessary to fund projects to maintain service within the Calleguas service area.

SECTION 13. PROPOSITION 218

The Water Standby Charges imposed by this Resolution have been imposed in prior fiscal years and are in conformance with Proposition 218.

SECTION 14. TRANSMITTAL

The General Manager is authorized and directed to transmit forthwith a certified copy of this Resolution to the Presiding Officer of the Board of Supervisors and the County Auditor of Ventura County.

SECTION 15. EFFECTIVE DATE OF RESOLUTION

This Resolution shall become effective upon the date of adoption.

ADOPTED, SIGNED AND APPROVED this 1st day of July, 2020.

Thomas L. Slosson, President
Board of Directors

I HEREBY CERTIFY that the foregoing Resolution was adopted at the regularly scheduled meeting of the Board of Directors of Calleguas Municipal Water District held on July 1, 2020.

ATTEST:

DocuSigned by:

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Andy Waters, Secretary
Board of Directors

(SEAL)