

CALLEGUAS MUNICIPAL WATER DISTRICT
BOARD OF DIRECTORS MEETING
July 21, 2021

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-08-21 of the State of California on July 21, 2021.

The meeting was called to order by Steve Blois, President of the Board, at 5:01 p.m.

A. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND ROLL CALL

Directors Present via Videoconference: Steve Blois, President
Andres Santamaria, Vice President
Scott Quady, Treasurer
Raul Avila, Secretary

Directors Absent: Andy Waters, Director

Staff Present at District Headquarters and Participating via Videoconference: Anthony Goff, General Manager
Kristine McCaffrey, Manager of Engineering
Rob Peters, Manager of Operations and Maintenance
Dan Smith, Manager of Administrative Services
Grant Burton, Manager of Human Resources
Steve Sabbe, IT Coordinator

Staff Present via Videoconference: Henry Graumlich, Associate General Manager
Jennifer Lancaster, Principal Resource Specialist
Kara Wade, Clerk of the Board
Kayde Wade, Administrative Assistant

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

B. MINUTES

On a motion by Director Avila, seconded by Director Quady, the Board of Directors voted 3-0-1 to approve the July 07, 2021 minutes.

AYES: Directors Avila, Quady, Blois

NOES: None

ABSTAIN: Director Santamaria

C. WRITTEN COMMUNICATION

None

D. PUBLIC FORUM/ORAL COMMUNICATION

None

E. GENERAL MANAGER

1. General Manager's Report

The General Manager gave a report on recent meetings that he attended.

- The General Manager and Associate General Manager participated in the Metropolitan Water District of Southern California (Metropolitan) Member Agency Retreat on July 16, 2021. Topics included an introduction and statement of vision from Metropolitan's new General Manager, and group discussion on member agency accomplishments, concerns, and opportunities. The General Manager stated that Calleguas' accomplishments, concerns, and opportunities focused on actions strengthening Metropolitan as a collective, supporting a collaborative approach to problem solving, and building resiliency and interconnectivity into Metropolitan's distribution system.

2. Discussion of the legal and technical requirements for remote, in-person, and hybrid Board of Directors meetings

The General Manager presented information and led a discussion regarding the legal and technical requirements for remote, in-person, and hybrid Board of Directors meetings. After discussion, the Board provided direction to staff. No action was taken.

F. ADMINISTRATIVE SERVICES

1. June 2021 Water Use and Sales, May 2021 Power Generation, and June 2021 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 June 2021

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 3-0-1 to approve the outstanding bills for payment.

AYES: Directors Avila, Quady, Santamaria

NOES: None

ABSTAIN: Director Blois

3. Quarterly Investment Report for the Second Quarter of 2021

Keith Khorey, Client Relations Director-Wells Fargo Asset Management, discussed short term fixed income assets with the Board. He also made the Board aware of a pending acquisition of Calleguas' current investment portfolio management firm, Wells Fargo Asset Management, by two private equity firms. Additional information concerning the acquisition will be agendized for a future Board meeting. No action was taken.

4. Public hearing and discussion regarding amendments to Ordinance No. 18, Covering the Authority of Officers to Execute Contracts and Instruments

At 6:12 p.m., President Blois opened the Public Hearing. There was no public comment. At 6:13 p.m., President Blois closed the Public Hearing.

AN ORDINANCE OF CALLEGUAS MUNICIPAL WATER DISTRICT
COVERING THE AUTHORITY OF OFFICERS
TO EXECUTE CONTRACTS AND INSTRUMENTS

The Manager of Administrative Services said that, at its June 16, 2021 meeting, the Board voted to hold a public hearing to adopt amendments to Ordinance No. 18. The change increases the General Manager's signatory authority for all professional services contracts and purchase orders for supplies and equipment up to \$100,000. These changes are consistent with the changes made to the District's Administrative Code at its June 16, 2021 Board meeting. A Notice of Public Hearing was posted on the District's notice boards and advertised in the Ventura County Star. No written comments were received.

On a motion by Director Avila, seconded by Director Santamaria, the Board of Directors voted 4-0 to adopt the amended Ordinance No. 18. Amended Ordinance No. 18 is attached and made part of these minutes.

AYES: Directors Avila, Quady, Santamaria, Blois

NOES: None

G. HUMAN RESOURCES

1. Introduction of the new Manager of Human Resources

Grant Burton, Calleguas' new Manager of Human Resources, introduced himself and informed the Board about his employment background. He has been a member of Cohen & Burge for 8 years; worked at Metropolitan for 23 years as a Senior Deputy General Counsel; and 5 years as a Human Resources Manager for Metropolitan. He retired from Metropolitan in 2013. He has advised public agencies such as Calleguas on labor and employment matters. He is also a Law Advisor to the County Civil Service Commission, an Arbitrator for the Public Employment Relations Board's Conciliation and Mediation Service, and a member of the State Bar's Labor and Employment Law Section. Mr. Burton will be providing part-time Human Resources services of a limited duration as a retired annuitant.

H. OPERATIONS AND MAINTENANCE

None

I. RESOURCES AND PUBLIC AFFAIRS

None

J. ENGINEERING AND CONSTRUCTION

1. Discussion regarding the Water Supply Alternatives Study

The Manager of Engineering provided an update on the Water Supply Alternatives Study, presenting the results of the following projects from Phase 2.2:

- Improvements to Oxnard-Hueneme System – Iron and Manganese Treatment
- Improvements to Oxnard-Hueneme System – Nitrate Treatment
- South Oxnard Plain Brackish Water Treatment Facility
- UWCD Interconnection at Price Road
- UWCD Interconnection at Somis Road
- Direct Connection to Casitas System
- Store Water in Lake Casitas

- White Horse Canyon Reservoir and Treatment Facility
- White Horse Canyon Reservoir and Conveyance to Lake Bard
- Additional Aquifer Storage and Recovery – Oxnard Plain Basin
- Additional Aquifer Storage and Recovery – Santa Paula Basin
- Purchases in a Groundwater Market

The fact sheets for these projects were provided in the packet. The packet also included a summary of the projects being evaluated and their status. No action was taken.

2. Change Order Report for Q2 2021

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

- Oxnard-Santa Rosa Feeder, Las Posas Feeder, and Miscellaneous Valve Improvements (Project No. 442)
- North Pleasant Valley Desalter SMP Discharge Station (Project No. 574)

There are no change orders to date on Lindero Pump Station No. 2 (Toe of Dam or TOD) Rehabilitation (Project No. 590) or Lake Sherwood Pump Station Rehabilitation (Project No. 591). No action was taken.

3. Discussion regarding Resolution No. 2023, award of the contract for Administration Building Roof Replacement, Project No. 602, located at 2100 Olsen Road, Thousand Oaks, Ventura County, California

A RESOLUTION OF THE BOARD OF DIRECTORS OF CALLEGUAS MUNICIPAL WATER DISTRICT AWARDING THE CONTRACT FOR THE CONSTRUCTION OF ADMINISTRATION BUILDING ROOF REPLACEMENT

The Manager of Engineering said that, on July 13, 2021, the District received 5 bids for the Administration Building Roof Replacement (Project No. 602), ranging from \$193,513 to \$345,000. The low bid was 54% below the Engineer's estimate of \$420,000. The Design Engineer has reviewed the bids; their recommendation is to award the project to the lowest responsive bidder, Bishop Inc., for a contract amount of \$193,513. Bishop, Inc. meets the experience requirements to perform the work.

On a motion by Director Avila, seconded by Director Santamaria, the Board of Directors voted 4-0 to adopt Resolution No. 2023. Resolution No. 2023 is attached and made part of these minutes.

AYES: Directors Avila, Quady, Santamaria, Blois

NOES: None

4. Discussion regarding Amendment to the Grant Agreement Between the State of California (Department of Water Resources) and Calleguas Municipal Water District, Agreement Number 4600013901, Proposition 1 Round 1 Integrated Regional Water Management (IRWM Implementation Grant)

The Manager of Engineering said that the Board approved the Agreement with the Department of Water Resources (DWR) for an IRWM Implementation Grant on May 19, 2021. The agreement covers the standard terms for the grant agreement, as well as the specific scope of work, budget, and schedule for each project. As noted at that time, this round of grant funding DWR requires that each project included in the grant agreement have completed its California Environmental Quality Act documentation and acquired all permits required for implementation. The other projects are considered “placeholder” projects and will be added to the agreement via amendment as they meet these requirements.

The City of Camarillo’s Reclaimed Water Storage Reservoir has now met these requirements and this amendment adds the project formally to the agreement. The remainder of the provisions of the agreement remain unchanged.

On a motion by Director Santamaria, seconded by Director Quady, the Board of Directors voted 4-0 to authorize the General Manager to sign the amendment.

AYES: Directors Avila, Quady, Santamaria, Blois
NOES: None

5. Discussion regarding 2020 Proposition 1, Integrated Regional Water Management Implementation Subgrant Agreement Between Calleguas Municipal Water District and City of Camarillo

The Manager of Engineering said that, in order to effectively administer the grant agreement above, Calleguas needs to enter into an agreement with each local project sponsor to define each party’s rights and responsibilities with respect to the grant. Now that Camarillo’s Reclaimed Water Storage Reservoir has met the requirements for inclusion in the grant agreement, the subgrant agreement for that project needs to be executed. As the other “placeholder” projects are added to the grant agreement by amendment, additional subgrant agreements will also be executed.

The subgrant agreement is substantively similar to the one previously approved with United Water Conservation District. Walt Wendelstein from Cohen & Burge reviewed the agreement template and the agreement is included in the Board packet.

On a motion by Director Santamaria, seconded by Director Quady, the Board of Directors voted 4-0 to authorize the General Manager to sign the agreement.

AYES: Directors Avila, Quady, Santamaria, Blois
NOES: None

6. Discussion regarding an amendment to the scope of work by Kennedy Jenks Consultants to perform grant administration services for Proposition 1 IRWM Round 1 Implementation Grant for the Watersheds Coalition of Ventura County, increasing the not-to-exceed amount by \$9,073

The Manager of Engineering said that the grant agreement above includes specific and detailed requirements for reporting, invoicing, and submittal of deliverables to DWR. Quarterly reporting and invoicing information must be gathered from each local project sponsor, reviewed to confirm it meets DWR's rigorous requirements, and consolidated into a single package for submittal to DWR. Review and submittal of project reports for each project and an overall grant report must also be performed.

As noted when the scope of work was approved on May 19, 2021, additional budget needs to be authorized as placeholder projects are added to the grant agreement by amendment. This item adds these services for Camarillo's Reclaimed Water Storage Reservoir. Due to economy of scale, the addition of Camarillo's project to the work reduces the cost per project for the other local project sponsors.

On a motion by Director Quady, seconded by Director Santamaria, the Board of Directors voted 4-0 to approve the professional services.

AYES: Directors Avila, Quady, Santamaria, Blois
NOES: None

K. WATER POLICY AND STRATEGY

The Associate General Manager provided a brief outline of the interconnection between Metropolitan's "One Water" and "We are One" strategies as they relate to the current drought, Metropolitan's Integrated Resources Plan, demand management rate discussions, opportunities to address constraints in Metropolitan's system resilience, and opportunities to improve water supply reliability and resilience for the District. A more detailed presentation will be provided for the Board's consideration at a future Board meeting.

L. DISTRICT COUNSEL

District Counsel said that a Case Management Conference is scheduled for July 28, 2021, Phase 2 of the action is ongoing, and the trial date is still scheduled for January 2022.

M. 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 update on the Metropolitan committee and Board meetings held on July 12 and 13, 2021. Director Blois reported that the transition with Metropolitan's new General Manager is going smoothly. The severity of the drought is increasing and Metropolitan is taking measures to preserve storage reserves accessible for the areas of Metropolitan that are primarily served by the State Water Project. Director Blois also noted that the independent investigation of workplace culture at Metropolitan has been released to the public. The investigation provided additional details regarding several prior workplace incidents of discrimination, harassment, and retaliation. It also included the management responses to those incidents.

N. CLOSED SESSION

None

O. OTHER BUSINESS

None

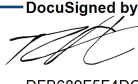
P. FUTURE AGENDA ITEMS

Keith Khorey, Client Relations Director-Wells Fargo Asset Management, will provide a disclosure package and more details regarding the acquisition of Calleguas' investment management portfolio firm by two private equity firms.

Q. ADJOURNMENT

Director Blois declared the meeting adjourned at 7:13 p.m.

Respectfully submitted,

DocuSigned by:


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Raul Avila, Board Secretary