

CALLEGUAS MUNICIPAL WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
August 18, 2021

**MINUTES**

The meeting of the Board of Directors of Calleguas Municipal Water District was held in-person at 2100 E. Olsen Road, Thousand Oaks CA 91360 and 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 August 18, 2021.

The meeting was called to order by Steve Blois, President of the Board, at 5:00 p.m.

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

Directors Present at District Headquarters: Steve Blois, President  
Scott Quady, Treasurer  
Raul Avila, Secretary

Directors Present via Videoconference: Andres Santamaria, Vice President  
Andy Waters, Director

Staff Present at District Headquarters: Anthony Goff, General Manager  
Grant Burton, Manager of Human Resources  
Dan Drugan, Manager of Resources  
Henry Graumlich, Associate General Manager  
Kristine McCaffrey, Manager of Engineering  
Rob Peters, Manager of Operations and Maintenance  
Dan Smith, Manager of Administrative Services  
Kara Wade, Clerk of the Board  
Jennifer Lancaster, Principal Resource Specialist  
Steve Sabbe, IT Coordinator

Staff Present via Videoconference: Kayde Wade, Administrative Assistant

Legal Counsel Present at District Headquarters: Robert Cohen, Cohen & Burge, LLP, District Counsel

**B. MINUTES**

On a motion by Director Avila, seconded by Director Quady, the Board of Directors voted 5-0 to approve the August 4, 2021 minutes.

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

NOES: None

**C. WRITTEN COMMUNICATION**

None

**D. PUBLIC FORUM/ORAL COMMUNICATION**

None

**E. GENERAL MANAGER**

**1. General Manager's Report**

On August 13, the General Manager, along with the Associate General Manager, Manager of Engineering, and Manager of Resources, attended a meeting of Metropolitan Water District of Southern California (Metropolitan) member agencies that cannot receive adequate supplies from the Colorado River system to satisfy their current demands. These areas are known as the State Water Project constrained areas within Metropolitan's system. Other agencies at the meeting were Las Virgenes MWD and Los Angeles Department of Water and Power (the two agencies other than Calleguas that are constrained in the western portion of Metropolitan's system) and Upper San Gabriel Valley MWD, Three Valleys MWD, and Inland Empire Utilities Agency. Metropolitan has been developing concepts for resolving these constraints and Calleguas committed to ongoing discussions.

**F. ADMINISTRATIVE SERVICES**

**1. July 2021 Water Use and Sales, June 2021 Power Generation, and July 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 July 2021**

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

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

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

**3. Discussion regarding Resolution 2025, authorizing investment in the Ventura County Investment Pool (VCIP)**

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF CALLEGUAS MUNICIPAL WATER DISTRICT  
AUTHORIZING INVESTMENT OF CALLEGUAS MUNICIPAL WATER DISTRICT  
MONIES IN VENTURA COUNTY'S INVESTMENT POOL

The Manager of Administrative Services said that, on June 16, 2021, the Board approved the 2021-22 CMWD Investment Policy that authorized the District to invest excess funds into the Ventura County Investment Pool (VCIP).

While preparing signature cards for the upcoming year, staff reviewed the resolution authorizing certain individuals to withdraw from or deposit funds to the District's VCIP account. Staff noted that the titles for the individuals authorized to withdraw or deposit funds to VCIP required an update. The authorized staff now includes the Board Treasurer, General Manager, Acting General Manager, Manager of Administrative Services, and Accounting Supervisor. Two signatures are required for withdrawing funds from VCIP.

On a motion by Director Avila, seconded by Director Santamaria, the Board of Directors voted 5-0 to adopt Resolution No. 2025. Resolution No. 2025 is attached and made part of these minutes.

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

**4. Discussion regarding Resolution 2026, authorizing investment in the Local Agency Investment Fund (LAIF)**

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF CALLEGUAS MUNICIPAL WATER DISTRICT  
AUTHORIZING INVESTMENT OF  
MONIES IN THE LOCAL AGENCY INVESTMENT FUND

The Manager of Administrative Services said that, on June 16, 2021, the Board approved the 2021-22 CMWD Investment Policy that authorized the District to invest excess funds into the Local Agency Investment Fund (LAIF).

While preparing signature cards for the upcoming fiscal year, staff reviewed the resolution authorizing certain individuals to withdraw from or deposit funds to the District's LAIF account. Staff noted that the titles of two of the authorized signatories had changed. The resolution provides authorization to the Board Treasurer and General Manager positions, updates the Manger of Finance position to Manager of Administrative Services, and updates the Senior Accountant position to Accounting Supervisor. The remaining changes were non-substantive changes to the language in the resolution.

On a motion by Director Waters, seconded by Director Santamaria, the Board of Directors voted 5-0 to adopt Resolution No. 2026. Resolution No. 2026 is attached and made part of these minutes.

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

**G. HUMAN RESOURCES**

The Manager of Human Resources said that an open position, Senior Project Manager, has been filled after a recent retirement. He informed the Board of CalPERS medical insurance open enrollment September 20 through October 15.

**H. OPERATIONS AND MAINTENANCE**

The Manager of Operations and Maintenance said that the application to Southern California Edison for funding under the Self-Generation Incentive Program was approved. This application is part of a larger effort that will ultimately provide battery backup emergency power during a power outage in the Moorpark area.

## I. RESOURCES AND PUBLIC AFFAIRS

### 1. Water Supply Update

The Manager of Resources provided an update on water supplies. No action was taken.

### 2. Discussion regarding Resolution No. 2024, declaring a Stage 2 Water Shortage and calling for enhanced water conservation efforts

RESOLUTION OF THE BOARD OF DIRECTORS  
OF CALLEGUAS MUNICIPAL WATER DISTRICT  
DECLARING A STAGE 2 WATER SHORTAGE  
AND CALLING FOR ENHANCED WATER USE EFFICIENCY EFFORTS

The Manager of Resources said that California is officially experiencing a second consecutive year of drought. Southern California's two main sources of imported water, snowpack in the Sierras and the Colorado River Basin, continue to face dry conditions. Locally, measured rainfall for the 2021 season will end with the lowest recorded totals in history for some parts of Ventura County. On July 8, Governor Newsom called on all Californians to voluntarily reduce water use by 15 percent from 2020 levels. On the same date, the National Oceanic and Atmospheric Administration issued a La Niña Watch for the 2021-22 winter. A La Niña year typically results in a warm and dry winter in Southern California.

Metropolitan has indicated that there are sufficient water supplies in storage and it does not anticipate instituting mandatory water delivery reductions in 2021, due to ongoing efforts by water users that have dramatically lowered demands and significant ratepayer investments in storage to capture supplies in wet years. While the water supply available to Calleguas will not be impacted in 2021, the worsening statewide drought serves to underscore the need for enhanced conservation measures.

Resolution No. 2024 formally activates the District's Water Shortage Contingency Plan with a move to a Stage 2 Water Shortage, which indicates an "up to 20%" shortage. This action calls for voluntary conservation only and is consistent with the Governor's call for 15% voluntary conservation.

Director Blois requested that Resolution 2024 be amended as follows: "Whereas, the U.S. Bureau of Reclamation, on August 16, 2021, did issue its first ever shortage declaration for the Colorado River System," and "Whereas, MWD issued on August 17, 2021, a Condition 2 Water Supply Alert calling for conservation through drought ordinances and other measures."

On a motion by Director Avila, seconded by Director Quady, the Board of Directors voted 5-0 to adopt Resolution No. 2024, as amended. Resolution No. 2024 is attached and made part of these minutes.

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

NOES: None

**3. Discussion regarding a proposed increase in the Fiscal Year 2021-22 conservation budget of \$500,000**

The Manager of Resources said that Metropolitan’s turf replacement program currently offers a rebate of \$2.00 per square foot of irrigated turf that is removed and replaced with California-friendly landscaping, up to 5,000 square feet per year for residential customers and 50,000 square feet per year for commercial customers.

During the 2012-2016 drought cycle, in FY 2014-2015, the Board ultimately approved a total budget of \$2,525,000 to supplement the turf rebates with an additional \$1.00 per square foot for residential customers. \$2,488,559 of that budget was utilized and the Calleguas supplement was discontinued after July 1, 2015.

In light of current drought conditions and the value in continuing to offer popular consumer rebate programs – both in terms of reducing regional water demand and clearly demonstrating a commitment to water use efficiency – it is recommended that the Board approve an increase of \$500,000 in the conservation budget for the purpose of establishing a \$1.00 per square foot supplemental contribution to Metropolitan’s turf replacement rebate. If those funds are fully committed before the end of the fiscal year, staff will return to the Board to discuss whether further funding is warranted.

On a motion by Director Avila, seconded by Director Santamaria, the Board of Directors voted 5-0 to approve a \$500,000 increase in the Fiscal Year 2021-22 conservation budget for the purpose of establishing a \$1.00 per square foot supplemental contribution to Metropolitan’s turf replacement rebate for residential and commercial customers.

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

NOES: None

**J. ENGINEERING AND CONSTRUCTION**

**1. Engineering & Construction Committee Report**

Committee Chair Blois summarized the discussion from the Engineering & Construction Committee meeting held on August 13, 2021. He said there was a tour of the existing crew building and adjacent facilities, discussion of crew building

improvements, and discussion regarding the District's 5 Year Capital Improvement Program. No action was taken.

**2. Discussion regarding approval of a capital project budget increase in the amount of \$113,000 for Simi Valley Reservoir (Project No. 569)**

The Manager of Engineering said that the 2017 Potable Water Master Plan identified the need for a reservoir in the Simi Valley area to meet peak hourly demands in the Simi Valley Region during imported water supply outage conditions. Given the lack of storage within Simi Valley, balancing demands and supplies within the region is also operationally challenging under normal supply and high demand conditions. Modeling determined that a 4.6 million gallon aboveground reservoir would be adequate.

Six potential sites for the new reservoir in eastern Simi Valley near Calleguas Conduit South Branch and Calleguas Conduit North Branch were initially identified and preliminarily evaluated. The two most promising sites (Site Nos. 1 and 4) were carried forward for more detailed evaluation.

During detailed site investigations of Site Nos. 1 and 4, various challenges were encountered with respect to these sites that could result in higher construction costs, higher right-of-way costs, or other challenges. To ensure that the best site is ultimately selected, staff recommends that additional site analysis be performed as follows:

- Evaluate an additional site (Site No. 7), as shown on the enclosed map. Site No. 7 was previously not carried forward to detailed analysis due to its topography, which requires significant effort to import soils to create a level pad at the required elevation for the bottom of the reservoir. With the challenges identified at the other two sites under consideration, the cost of the additional earthwork may be acceptable.
- Evaluate an alternative pipeline alignment for Site No. 1, including the feasibility of constructing the reservoir inlet/outlet and drain/overflow pipelines within the public right-of-way to avoid the need to acquire easements for the pipeline.

The requested capital project budget increase includes the proposed increase in site selection study scope for Perliter & Ingalsbe, environmental investigations similar to those already performed for Site Nos. 1 and 4, and an appraisal for Site No. 7, as well as project management costs.

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

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

**3. Discussion regarding an amendment to the scope of work for professional services by Perliter & Ingalsbe for reservoir site selection study of the Simi Valley Reservoir (Project No. 569), increasing the not-to-exceed amount by \$81,609**

The Manager of Engineering said that, as described above, additional site investigations are recommended before selecting the best site for Simi Valley Reservoir. These services were not anticipated in Perliter & Ingalsbe's (P&I) original scope of work and would increase the not-to-exceed cost by \$81,609 from \$160,000 to \$241,609. P&I has performed at a high level of quality thus far on the project and the cost increase for additional design services is reasonable for the additional work required.

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

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

**K. WATER POLICY AND STRATEGY**

The Associate General Manager reported on demand management rate alternative preferences that the District submitted as part of Metropolitan's member agency managers' demand management rate refinement workgroup. The rate preferences provided by the District were cost-of-service rates that best conformed to the purpose of Metropolitan's water conservation and local resources programs as set out in the Metropolitan Water District Act in the California Water Code. This member agency staff level analysis and consensus building process will move to the Metropolitan Board beginning in September.

**L. DISTRICT COUNSEL**

District Counsel said that a Case Management Conference for the Las Posas Basin Groundwater Adjudication was scheduled for August 18, 2021, but was continued to September 1, 2021. He said that the parties engaged in the mediation process on Phase 2 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 a wide-ranging update on Metropolitan Board actions and committee considerations. His report included the adoption of Metropolitan's weighted voting percentages based on relative assessed property valuation, research at Metropolitan's pilot regional recycling facility to treat primary effluent, the use of Metropolitan water to replace recycled water supplies temporarily lost due to issues at the City of Los Angeles' Hyperion Water Reclamation Plant, a leak on the California Aqueduct that has been repaired, projected Colorado River re-consultation talks triggered by the declining storage levels in Lake Mead, information received on preferential rights under the Metropolitan Water District Act, projects to address Metropolitan's State Water Project constrained member agencies (which include Calleguas), implementation of recommendations to strengthen Equal Employment Opportunity Act compliance, and the initiation of labor negotiations.

**N. CLOSED SESSION**

**1. Pursuant to Government Code Section 54957 (personnel exemption), Employee Performance Evaluation – General Manager**

At 6:40 p.m., Director Blois adjourned to Closed Session to discuss Item N-1 as stated on the agenda.

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**CLOSED SESSION CONTINUING**  
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At 7:16 p.m., Director Blois reconvened the meeting to Open Session.

Regarding N-1, on a motion by Director Avila, seconded by Director Quady, the Board of Directors voted 5-0 to increase the General Manager's annual salary by 1% to \$287,500 and granted an additional 3% performance bonus of \$8,550.00. The increase will become effective with the pay period commencing September 1, 2021.

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

NOES: None

**O. OTHER BUSINESS**

ACWA Region 8 Ballot choices will be presented at a future Board Meeting.

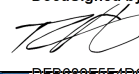
**P. FUTURE AGENDA ITEMS**

The Manager of Resources said he would bring to a future Board Meeting a discussion of "Lessons Learned" from the last drought.

**Q. ADJOURNMENT**

Director Blois declared the meeting adjourned at 7:25 p.m.

Respectfully submitted,

DocuSigned by:  


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Raul Avila, Board Secretary