

CALLEGUAS MUNICIPAL WATER DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING
December 18, 2024

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. The District also provided telephonic and electronic methods of participation for the public as noted on the meeting agenda.

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

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

Directors Present at District Headquarters: Scott Quady, President
Andy Waters, Vice-President
Raul Avila, Secretary
Jacquelyn McMillan, Treasurer
Thibault Robert, Director

Staff Present at District Headquarters: Kristine McCaffrey, General Manager
Ian Prichard, Deputy General Manager
Fernando Baez, Manager of Engineering
Grant Burton, Manager of Human Resources and Risk Management
Kat Ehret, Management Analyst
Tricia Ferguson, Assistant Manager of Human Resources and Risk Management
Charlotte Holifield, Manager of External Affairs
Jennifer Lancaster, Manager of Water Resources
James Mojica, IT Specialist
Megan Neilson, Administrative Assistant
Wes Richardson, Manager of Information Technology
Dan Smith, Manager of Finance
Kara Wade, Clerk of the Board

Staff Present via Videoconference: Kayde Maddox, Administrative Assistant
Omar Castro, Manager of Operations and Maintenance

Legal Counsel Present at District Headquarters: Walter Wendelstein, Wendelstein Law Group, PC, District Counsel

2. PUBLIC COMMENTS

Patti Braga, Executive Director of the Ventura County Leadership Academy, thanked Calleguas's staff for allowing them to host a meeting at Calleguas on Public Works Day. She said the purpose of the Ventura County Leadership Academy is to provide a ten-month program for people from the business, public, not-for-profit, and educational sectors to develop leadership skills and learn about Ventura County.

3. PRESENTATION

A. Recognition of Director Andy Waters for 12 Years of Service

The following special guests recognized Director Waters for his 12 years of service on the Calleguas Board, participation in Fox Canyon Groundwater Management Agency (FCGMA) activities, and support of the water and agricultural communities:

- Supervisor Janice Parvin, Ventura County District 4
- Chris Enegren, Mayor, City of Moorpark
- Jay Lewitt, President, Las Virgenes Municipal Water District (LVMWD)
- Andy Coradeschi, Board Member, LVMWD
- Dave Borchard, Alternate Board Member, FCGMA

Additionally, President Quady presented a certificate recognizing Director Waters' service and numerous contributions to the water community.

B. Recognition of Retirement of Manager of Human Resources and Risk Management Grant Burton

The Assistant Manager of Human Resources and Risk Management presented Grant Burton, Manager of Human Resources and Risk Management, with a certificate of recognition for his service to Calleguas upon his retirement.

C. Introduction of New Management Analyst Kat Ehret

The Manager of External Affairs introduced new Management Analyst Kat Ehret to the Board. The Board welcomed her to Calleguas.

4. ITEMS TO BE ADDED TO THE AGENDA – GOVERNMENT CODE 54954.2(b)

None

5. CONSENT CALENDAR

- A. Approve the Minutes of the November 6, 2024 Regular Board Meeting
- B. Receive and Affirm the Payment Register for the District's Activities from October 29, 2024 to November 25, 2024
- C. Adopt the District's Investment Policy
- D. Receive and Affirm the Quarterly Consultant Contract Reports for the District's Contracted Activities through September 30, 2024
- E. Receive and Affirm the Quarterly Capital Projects Report for the District's Activities through September 30, 2024
- F. Adopt the 2024 Strategic Communications Plan
- H. Receive and Affirm End-of-Year Legislative Report
- I. Approve New Capital Project April 85, LLC (Marz Farms) SMP Discharge Station (Project No. 625); Approve Capital Project Budget Allocation in the Amount of \$51,000; and Authorize the General Manger to Sign the Agreement for Construction and Use of Salinity Management Pipeline Discharge Service Connection

Director McMillan requested that Item 5G be moved to Action Items.

On a motion by Director McMillan, seconded by Director Avila, the Board of Directors voted 5-0 to move Consent Calendar Item 5G to Action Items.

AYES: Directors Robert, McMillan, Avila, Waters, Quady

NOES: None

On a motion by Director Waters, seconded by Director Robert, the Board of Directors voted 5-0 to approve the Consent Calendar.

AYES: Directors Robert, McMillan, Avila, Waters, Quady

NOES: None

6. ACTION ITEMS

5.G. Adopt Proposed Changes to the District's Administrative Code

Director McMillan requested clarification regarding the proposed changes to Section 2.11.1 of the Administrative Code, limiting the number of conferences that a Board Member may attend per year to two, without additional approval from the President or the Board. She noted that she would like for the Board to be able to attend both Association of California Water Agencies (ACWA) and California Special Districts Association (CSDA) conferences, bringing the number to four each year. Director Quady explained that the current budget accounts for two conferences requiring travel per fiscal year for each Board member and the budget implications of additional conferences need to be considered before approving additional Board member attendance.

On a motion by Director McMillan, seconded by Director Avila, the Board of Directors voted 5-0 to Adopt Proposed Changes to the District's Administrative Code.

AYES: Directors Robert, McMillan, Avila, Waters, Quady

NOES: None

A. Discussion Regarding Employee Cost of Living Adjustment and Revised Salary Schedule

The Assistant Manager of Human Resources and Risk Management said that, in accordance with the Administrative Code, each December the Board considers a percentage cost-of-living adjustment (COLA) based on the Federal Consumer Price Index (CPI). This year's COLA based on CPI is 3.2%; the budget assumed 4%.

On a motion by Director Avila, seconded by Director Waters, the Board of Directors voted 5-0 to approve the revised salary schedule.

AYES: Directors Robert, McMillan, Avila, Waters, Quady

NOES: None

B. Discussion regarding Reverse Cyclic Program Agreement between Metropolitan Water District of Southern California and Calleguas

The Manager of Finance and Manager of Water Resources noted that, in November 2024, Metropolitan approved a Reverse-Cyclic Program that allows

member agencies to pre-purchase water at the full-service rate in effect in calendar year (CY) 2024 and CY 2025 for deferred delivery in a future year (not to exceed five years from the time of purchase). The District requested to purchase up to 10,000 AF by the end of December 2024 to ensure the water is purchased at the lowest rate possible. Significant cost savings are anticipated by participating in this program – up to \$815,000 compounded annually for each year the District does not take delivery of the water from Metropolitan.

On a motion by Director Robert, seconded by Director Avila, the Board of Directors voted 5-0 to approve the Reverse Cyclic Program Agreement between Metropolitan Water District of Southern California and Calleguas.

AYES: Directors Robert, McMillan, Avila, Waters, Quady

NOES: None

7. REPORTS

A. GENERAL MANAGER AND STAFF REPORTS

1. Monthly Status Report

The Board asked questions, which the General Manager and department managers answered.

2. October & November 2024 Water Use and Sales, October 2024 Power Generation, and October and November 2024 Investment Summary Reports – Dan Smith, Manager of Finance

The Manager of Finance presented the reports and responded to questions from the Board.

3. October 2024 Financial Statements – Dan Smith, Manager of Finance

The Manager of Finance presented the reports and responded to questions from the Board.

4. Report on Refinancing of 2010B Bonds (Build America Bonds) – Dan Smith, Manager of Finance

The Manager of Finance discussed the process of refinancing the Build America Bonds, noting that there was significant interest in the bonds in the market and that interest resulted in better-than-expected pricing.

Due to the refinancing, an estimated \$1.8 million will be saved over the life of the bonds. He also responded to questions from the Board.

5. Presentation on the Potential for Remodeling of Staff Housing at Lake Bard – Fernando Baez, Manager of Engineering

The Manager of Engineering presented an overview of the staff housing located around Lake Bard to facilitate emergency response, discussed its current condition, and described potential options for rehabilitation. He also responded to questions from the Board. Wes Richardson, Manager of IT and resident of Lake Bard housing, provided examples of the types of the situations that staff on the Calleguas property respond to and enumerated the benefits of the quick response the housing makes possible. The Board asked questions about whether to rehabilitate or replace the existing houses due to their age and declining conditions and suggested formation of an ad hoc committee to consider the matter further. The General Manager indicated that formation of an ad hoc committee on staff housing would be agendaized for a future Board meeting.

6. GENERAL COUNSEL REPORT

1. General Counsel's Report

Counsel reported that he attended the ACWA Legal Affairs Committee meeting at the ACWA Fall Conference in Palm Desert as the District's designated representative. He informed the Board of the passage of AB 2257, which authorizes water agencies to create official procedures requiring written objections prior to the adoption of rates. This will prevent the filing of lawsuits challenging water rates if the party did not first utilize the objection procedures. He also mentioned that he has reviewed the 2024 Summary of Appellate Court cases regarding water issues as they pertain to Calleguas.

C. BOARD OF DIRECTORS REPORTS

1. Committee Meeting Report

None

2. Board Member Reports on Ancillary Duties

Reports on ancillary duties are placed on the agenda to provide a forum for discussion concerning the activities of external entities to which Calleguas Board members are assigned in a representative capacity.

a. Report of ACWA Region 8 Director

Director Quady said that, at the meeting at the ACWA Conference in Palm Desert, the membership voted to approve the amended and restated bylaws.

b. Report of ACWA Joint Powers Insurance Authority (JPIA) Representative

Director Quady said that Director Avila attended the ACWA JPIA meeting at the ACWA Fall Conference as the alternate. Director Avila indicated that ACWA JPIA is achieving rates of returns of 7.34%. Director Quady also mentioned that Wes Richardson, Manager of IT, completed the ACWA JPIA Leadership Essentials for the Water Industry program. Calleguas received the Presidential Award for achieving losses less than 20% of contributions in the Liability, Property, and Workers' Compensation programs.

c. Report of Association of Water Agencies of Ventura County Representative

Director Avila said he attended the AWA Year-End Corporate Night on December 12, along with several other Board members and numerous staff.

d. Report of Fox Canyon Groundwater Management Agency (FCGMA) Representative

No report.

e. Report of Metropolitan Water District Director

Director McMillan referenced her written report on the Metropolitan meetings she attended from November 7 to December 18. Director McMillan's report is attached and made part of these minutes.

f. Report of Ventura LAFCo Commissioner

No report.

- g. Report of Ventura County Regional Energy Alliance Representative

No report.

- h. Report of Ventura County Special Districts Association Representative

Director Robert stated he was unable to attend the December 3 meeting because he was at the ACWA Fall Conference. He received an update on information presented at the meeting by President Kara Ralston. She said that the bylaws were amended to address dues and meal costs. Director McMillan said they have three officers stepping down and will need three new officers, which will be discussed at the February 4 meeting.

- 2. Directors' List of Administrative Code Reimbursable Meetings Other than Ancillary Duties
Reimbursable meetings reports are placed on the agenda to comply with statutory and Calleguas Administrative Code requirements for members of a legislative body who attend a meeting at the expense of the local agency to provide a report of the meeting.

Board members provided reports on various meetings that they attended which are subject to the District's reimbursement policy.

- 3. Discussion regarding upcoming meetings to be attended by Board members

The General Manager reminded the Board that the January Board meetings would be held on January 8 and January 22 due to holiday conflicts. She informed the Board that LVMWD will be holding an event on January 10 celebrating the beginning of testing of OceanWell's desalination pod in LVMWD's lake, called "Beyond the Surface." Board members should RSVP to the Clerk of the Board if they would like to attend. She also mentioned that, at the January 8 Board meeting, Board member attendance at the ACWA DC Conference will be discussed.

- 4. Request for Future Agenda Items

None

8. INFORMATION ITEMS

A. WRITTEN COMMUNICATION

1. Letter from City of Camarillo regarding support for Delta Conveyance Project funding at upcoming Metropolitan Water District of Southern California Committee and Board meetings
2. Letter from City of Thousand Oaks regarding support for Delta Conveyance Project funding at upcoming Metropolitan Water District of Southern California Committee and Board meetings
3. Letter from Greater Conejo Valley Chamber of Commerce regarding support for Delta Conveyance Project funding at upcoming Metropolitan Water District of Southern California Committee and Board meetings

9. CLOSED SESSION

None

10. OATHS OF OFFICE FOR DIVISION 1, 2, AND 3 DIRECTORS

The Clerk of the Board administered the Oath of Office to Raul Avila, Division 1; Scott Quady, Division 2; and Reddy Pakala, Division 3.

11. ADJOURNMENT

Director Quady declared the meeting adjourned at 6:43 p.m.

Respectfully submitted,



Raul Avila, Board Secretary