

Minutes of the Special Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – January 7, 2019

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A special meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, at 6:30 PM on Monday, January 7, 2019. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

**DIRECTORS PRESENT:** Dante Acosta, B. J. Atkins, Tom Campbell, Ed Colley (Via Conference Line), Kathy Colley (Via Conference Line), William Cooper, Robert DiPrimio, Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Dan Mortensen and Lynne Plambeck were in attendance.

**DIRECTORS ABSENT:** Jacque McMillan.

Also present: Matthew Stone, General Manager; Tom Bunn and Joe Byrne, General Counsel; April Jacobs, Board Secretary; Steve Cole, Assistant General Manager; Eric Campbell, Chief Financial and Administrative Officer; Keith Abercrombie Chief Operating Officer; Brian Folsom, Chief Engineer; Rochelle Patterson, Director of Finance and Administration; Dirk Marks, Director of Water Resources; Cris Perez, Director of Tech Services; Ari Mantis, HR/Risk Management Supervisor; Kathie Martin, Public Information Officer; Rene Ponce, IT Technician; Terri Bell, Administrative Assistant; members of the SCV Water staff; Kris Hough, Field Representative for Senator Wilk; Stephanie English, Santa Clarita Valley Senior Deputy and Fire Deputy for Supervisor Kathryn Barger; and members of the public.

President Cooper called the meeting to order at 6:33 PM. A quorum was present.

Upon motion of Vice President Kelly, seconded by Director Gladbach and carried, the Board voted to decrease public comments to two minutes for this meeting by the following roll call votes (Item 3):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Gladbach	Yes	Vice President Gutzeit	Yes
Vice President Kelly	Yes	Director Martin	Yes
Director McMillan	Absent	Director Mortensen	Yes
Director Plambeck	Yes		

Upon motion of Director Mortensen, seconded by Director Atkins and carried, the Agenda was approved after pulling Item 7.3, which will be considered at the February 5, 2019 regular Board meeting, by the following roll call votes (Item 4):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Gladbach	Yes	Vice President Gutzeit	Yes
Vice President Kelly	Yes	Director Martin	Yes
Director McMillan	Absent	Director Mortensen	Yes
Director Plambeck	Yes		

President Cooper began Item 5.1 by turning the item over to Tom Bunn, who went over the process with the Board.

Written and verbal public comments were received regarding the nomination of Dante Acosta. The Board discussed the nomination, recent meeting with Supervisor Barger's Office, who preferred to have the seat filled, and considered all public comments (Item 5.1).

During the discussion and vote of item 5.1, Director Mortensen recused himself and stepped out of the room.

By motion of Director Gladbach, seconded by Director Atkins and carried, the Board approved Resolution No. SCV-81 appointing Dante Acosta to the Santa Clarita Valley Water Agency Board of Directors representing Los Angeles County Waterworks District No. 36, by the following roll call votes (Item 5.1).

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	No	Director K. Colley	No
President Cooper	Yes	Director DiPrimio	Yes
Director Gladbach	Yes	Vice President Gutzeit	Yes
Vice President Kelly	Yes	Director Martin	Yes
Director McMillan	Absent	Director Mortensen	Recused
Director Plambeck	No		

#### RESOLUTION NO. SCV-81

#### RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY APPROVING DANTE ACOSTA TO THE OFFICE OF APPOINTED DIRECTOR OF THE SANTA CLARITA VALLEY WATER AGENCY

**WHEREAS**, the Los Angeles County Waterworks District No. 36, Val Verde, acting by and through the Los Angeles County Board of Supervisors, has duly nominated Dante Acosta for the office of Appointed Director for the Santa Clarita Valley Water Agency on December 11, 2018; and

**WHEREAS**, pursuant to Section 10 of the Santa Clarita Valley Water Agency Act, the Board of Directors of the Santa Clarita Valley Water Agency has thirty days to appoint or reject the nominee; and

**WHEREAS**, the Board of Directors of the Santa Clarita Valley Water Agency has determined that it desires to appoint the said nominee to said office.

**NOW, THEREFORE, BE IT RESOLVED** that this Board does hereby appoint Dante Acosta, the nominee for the Los Angeles County Board of Supervisors on behalf of the Los Angeles County Waterworks District No. 36, Val Verde, to serve as an Appointed Director of the Santa Clarita Valley Agency, for a term beginning on January 1, 2019 and ending on January 1, 2023; and

**RESOLVED FURTHER**, that Dante Acosta shall at the earliest reasonable time take the required constitutional Oath of Office.

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The Board Secretary administered the Oath of Office to Dante Acosta and he was seated at the Board table (Item 5.2).

President Cooper recessed the meeting at 8:14 PM and reconvened the meeting at 8:30 PM.

Upon motion of Director Gladbach, seconded by Director Plambeck and carried, the Board agreed to a one-year term for calendar year 2019 for the position of President and Vice President and revisit the item in 2020 by the following roll call votes (Item 5.3):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Martin, seconded by Director Acosta and carried, the Board approved having two Vice Presidents for the calendar year 2019 and will revisit this item in 2020 by the following roll call votes (Item 5.3):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

President Cooper announced the next item of business was Agenda Item 5.4 election of Board President and Vice President and requested that the Board Secretary and General Counsel conduct the election of officers.

The Board Secretary called for nominations for the position of Board President. Director Gladbach nominated Director Cooper and Director DiPrimio nominated Director Gutzeit, there were no further nominations. Directors Cooper and Gutzeit each then addressed the Board.

Votes were then cast by a roll call vote, tallied and no nominee received the vote of a majority of the Board.

Results for first vote were as stated below:

Directors Campbell, E. Colley, K. Colley, Cooper, Martin and Gladbach cast a vote for Director Cooper.

Directors Atkins, DiPrimio, Kelly, Gutzeit and Mortensen cast a vote for Director Gutzeit. Directors Acosta and Plambeck abstained.

The Board Secretary then asked if there were any further nominations. Director Plambeck nominated Director Campbell, who respectfully declined the nomination.

There were no further nominations and neither nominee declined the nomination.

A second vote was then cast by a roll call vote, tallied and no nominee received the vote of a majority of the Board.

Results for second vote were as stated below:

Directors Acosta, Campbell, E. Colley, K. Colley, Cooper, Gladbach and Martin voted for Director Cooper.

DirectorS Atkins, DiPrimio, Gutzeit, Kelly and Mortensen voted for Director Gutzeit.

Director Plambeck abstained.

By motion of Director Plambeck, seconded by Director Gladbach and carried, the Board voted to table the vote of the President and Vice President to the February 5, 2019 Board meeting by the following roll call votes (Item 5.4):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

Item 5.5. was moved to the February 5, 2019 Board meeting.

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By motion of Director Atkins, seconded by Director Gladbach and carried, the Board approved the Consent Calendar after pulling Item 6.2 approval of a resolution to enter into a contract with X-act Technology Solutions, Inc. for as-needed information technology support services for further discussion, the Board approved the Consent Calendar including Resolution No. SCV-83 by the following roll call votes (Item 6):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

**RESOLUTION NO. SCV-83**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY  
VECTOR CONTROL DISTRICT, THE BOARD OF DIRECTORS OF  
THE SANTA CLARITA VALLEY WATER AGENCY (FORMERLY KNOWN AS  
CASTAIC LAKE WATER AGENCY) APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM  
ANNEXATION OF TRACT NO. 52796  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

WHEREAS, pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the County Lighting Maintenance District 1687, the County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District No. 5, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, and the Los Angeles County Flood Control District; the Board of Trustees of the Greater Los Angeles County Vector Control District; and the Board of Directors of the Santa Clarita Valley Water Agency (formerly known as Castaic Lake Water Agency), have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as Tract No. 52796 to County Lighting Maintenance District 1687 is as shown on the attached Property Tax Transfer Resolution Worksheet.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The negotiated exchange of property tax revenues with the County Lighting Maintenance District 1687, the Los Angeles County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District No. 5, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, the Los Angeles County Flood Control District, the Greater Los Angeles County Vector Control District, and the Santa Clarita Valley Water Agency (formerly known as Castaic Lake Water Agency) resulting from the annexation of Tract No. 52796 to County Lighting Maintenance District 1687 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2019, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within Tract No. 52796, Tax Rate Area 06820, shall be allocated to the affected agencies as indicated in the attached Property Tax Transfer Resolution Worksheet.

3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of the annexation of Tract No. 52796.

4. If at any time after the effective date of this resolution the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year.

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Upon motion of Director DiPrimio, seconded by Director Campbell and carried, the Board approved Resolution No. SCV-82 to enter into a contract with X-act Technology Solutions, Inc. for as-needed information technology support services as long as the company's good standing is reestablished by the following roll call votes (Item 6.2):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

#### RESOLUTION NO. SCV-82

#### RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY DIRECTING AWARD OF A CONTRACT TO X-ACT TECHNOLOGY SOLUTIONS, INC. FOR AS-NEEDED INFORMATION TECHNOLOGY SUPPORT SERVICES

**WHEREAS**, the Agency uses a technology firm to provide comprehensive network and security management and comprehensive server administration on a monthly basis (managed services) and as-needed technical expertise for special projects to address peak workloads and to cover staff absences; and

**WHEREAS**, the current contract expires on March 31, 2019 and the Agency solicited proposals from qualified vendors through a Request for Proposals process; and

**WHEREAS**, the proposals were scored in four functional areas: (1) ability to provide managed services, (2) ability to provide as-needed support services, (3) vendor's qualifications and (4) cost assessment; and

**WHEREAS**, X-act Technology Solutions received a better score based on a more tailored approach to the Agency's specific technology needs; and

**WHEREAS**, the Board finds, after considering the recommendation of staff, that X-act Technology Solutions, Inc., offers as-needed technology support services that meets Agency needs.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Santa Clarita Valley Water Agency does authorize the General Manager to execute a three-year contract in an amount not to exceed \$874,800 with X-act Technology Solutions, Inc., with two options to renew for \$26,730 monthly for the first year and \$29,700 monthly for the second year.

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Upon motion of Director Atkins, seconded by Director Gladbach and carried, the Board approved Resolution No. SCV-84 authorizing a Professional Services Agreement with AAC Utility Partners for \$215,000, plus travel expenses for selection services for a new financial management system by the following roll call votes (Item 7.1):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

**RESOLUTION NO. SCV-84**

**A RESOLUTION OF THE  
BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY  
AUTHORIZING PROFESSIONAL SERVICES AGREEMENT WITH  
AAC UTILITY PARTNERS FOR SELECTION SERVICES FOR  
NEW FINANCIAL MANAGEMENT SYSTEM**

**WHEREAS**, the Board of Directors has determined that the Agency needs to implement new accounting software that meets the accounting and financial reporting needs of all divisions of the Agency; and

**WHEREAS**, currently, each division of the Agency is using their respective accounting systems that were in place prior to the formation of SCV Water; and

**WHEREAS**, the Agency has merged three separate entities into one, and it is critical that the software selection process is managed properly so that SCV Water obtains the best software to meet its needs; and

**WHEREAS**, the Board finds, after consideration of the recommendation of staff, that AAC Utility Partners is the most uniquely qualified firm to ensure that SCV Water obtains a system that will meet its needs.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Santa Clarita Valley Water Agency does authorize the General Manager to execute a contract in an amount not to exceed \$240,000 with AAC Utility Partners, subject to review and approval by Legal Counsel.

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Upon motion of Director Campbell, seconded by Director Gladbach and carried, the Board approved Resolution No. SCV-85 certifying that the Board has reviewed and considered the final EIR and approves adoption of the amendment by the following roll call votes (Item 7.2):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	President Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	No

#### RESOLUTION NO. SCV-85

**A RESOLUTION  
OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
CONSIDERING THE ENVIRONMENTAL IMPACT REPORT FOR THE  
WATER SUPPLY CONTRACT EXTENSION;  
ADOPTING FINDINGS IN ITS LIMITED ROLE AS A RESPONSIBLE AGENCY  
PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA);  
ALTERNATIVELY FINDING THAT THE EXTENSION  
IS NOT A PROJECT SUBJECT TO CEQA;  
AND APPROVING THE SANTA CLARITA VALLEY WATER AGENCY'S  
SUPPLY EXTENSION CONTRACT WITH THE DEPARTMENT OF WATER RESOURCES**

**WHEREAS**, the parties to the State Water Project Supply Contracts (Contracts), California Department of Water Resources ("DWR") and the individual State Water Contractors, entered into public negotiations to extend the Contracts' terms, and the negotiations resulted in the Agreement in Principle Concerning Extension of the State Water Project Supply Contracts (AIP); and

**WHEREAS**, the Water Supply Contract Extension Project (Extension) is proposed by the DWR to extend the terms and modify certain financial provisions of the Contracts; and

**WHEREAS**, DWR is the lead agency for the Extension pursuant to CEQA (Pub. Res. Code §§ 21000, et seq.) and the State CEQA Guidelines (14 CCR §§ 15000, et seq.). As the lead agency, DWR is responsible for assuring that an adequate analysis of the Extension's environmental impacts-if any—is conducted; and

**WHEREAS**, on September 12, 2014, DWR issued a Notice of Preparation stating that it would be preparing an Environmental Impact Report (EIR) to study the Extension's potential impacts - if any - to the environment; and

**WHEREAS**, in August 2016, DWR issued and publicly circulated for review a Draft Environmental Impact Report (DEIR) for the Extension. The DEIR included a copy of the AIP as



and revisions to the DEIR (collectively, FEIR), and on November 13, 2018, DWR certified the FEIR; and

**WHEREAS**, the FEIR concluded that the Extension would not cause any potentially significant effects to the environment; and

**WHEREAS**, Santa Clarita Valley Water Agency (Agency) is a State Water Contractor member agency and is party to a Long Term Water Supply Contract with DWR; and

**WHEREAS**, DWR and the Agency propose to extend the term of and make certain financial reporting and other financial changes to the Long Term Water Supply Contract by approving the Extension, the environmental effects of which were studied in the FEIR; and

**WHEREAS**, DWR approved the Extension on December 11, 2018; and

**WHEREAS**, the Agency is a responsible agency for the Extension under CEQA and, as a responsible agency, SCVWA has more limited approval and implementing authority over the Extension than does the DWR.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY AS FOLLOWS:**

1. The above recitals are true and correct and are incorporated herein by reference as an operative portion of this Resolution.
2. Pursuant to State CEQA Guidelines section 15096 and in its limited role as a responsible agency under CEQA, the Agency has reviewed and considered the FEIR, as well as DWR's certification of the FEIR and incorporates those items herein by reference. As to those resources within the Agency's power and authority as a responsible agency under CEQA, the Board exercises its independent judgment and finds that the FEIR contains a complete, objective and accurate reporting of the Extension's impacts, each of which are less than significant.
3. In its independent judgment, the Board further finds that no feasible mitigation measures or alternatives within its authority are necessary, because the Extension will have no potentially significant impacts on the environment for the reasons explained in the FEIR.
4. In its independent judgment, the Board further finds that - in the alternative - the Extension is not a "project" as that term is defined in CEQA. An activity is a "project" subject to CEQA only if it has the potential to result in either a direct physical change to the environment or a reasonably foreseeable indirect change in the environment. (State CEQA Guidelines, § 15378). The Extension has no potential to cause any direct or reasonably foreseeable indirect change in the environment. Substantial evidence in the record of proceedings supports the conclusion that the Extension is not a project. Such evidence includes, but is not limited to, the following:
  - a. the Extension will not create new water management measures; alter the existing authority to build new or modify existing facilities; or change water allocation provisions of the Contracts;
  - b. the Extension proposes financial changes that do not modify any existing physical conditions;

- c. the Extension does not change hydrology, regulations, or change the SWP water supply; and
- d. although a benefit of the Extension could be the ability to continue to finance repair and maintenance projects, such future projects (if any) are too speculative to allow for meaningful analysis at this time and if and when any such project is actually proposed by one or more agencies in the future, they would be subject to CEQA review as required by law.

5. Based on the above findings, the Board hereby approves the Agency's Water Supply Contract Extension with DWR, which is incorporated herein and attached hereto as Exhibit A.

6. The Board hereby authorizes and directs staff to file and have posted a Notice of Exemption and a Notice of Determination with the County Clerk and with the State Clearinghouse within 5 working days of the adoption of this Resolution.

7. The documents and materials that constitute the record of proceedings for this Resolution are located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 with the Board Secretary.

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Item 7.3 was pulled and will be presented at the February 5, 2019 regular Board meeting.

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The General Manager gave a brief update on the upcoming January 8, 2019 All Employee Meeting where staff will discuss this past year's accomplishments and the upcoming strategic planning process. (Item 8).

There were no comments on the Committee meeting recap report (Item 9).

There were no comments on the section reports (Item 10).

The President announced that this evenings USCVJPA meeting would be cancelled and all items moved to the February 5, 2019 regular Authority meeting. He also mentioned that the Board meeting on January 15, 2019 would be cancelled and then reminded the Board of upcoming events (Item 11).

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**AB 1234 Reports (Item 12):**

Director Martin provided a written report.

President Cooper reported that he attended the City Council meeting held at the City Chambers on December 11, 2018, had breakfast with the General Manager on December 12, 2018 and participated in a conference call with Hunt Braly and Matt Stone on December 20, 2018.

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There were no Director Reports (Item 13).

There were no Director requests for attendance for upcoming conferences/events (Item 14).

Vice President Gutzeit and Director Plambeck asked that the Board look at video tapping and recording the Board meeting as well as looking at the structure of minutes (Item 15).

Upon motion of Director Gladbach, seconded by Director Acosta and carried, the meeting was adjourned at 10:24 PM by the following roll call votes (Item 16):

Director Acosta	Yes	Director Atkins	Yes
Director Campbell	Yes	Director E. Colley	Yes
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Gladbach	Yes
Director Gutzeit	Yes	Director Kelly	Yes
Director Martin	Yes	Director McMillan	Absent
Director Mortensen	Yes	Director Plambeck	Yes

  
April Jacobs, Board Secretary

ATTEST:

  
President of the Board

