

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – June 2, 2020

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held via teleconference at 6:30 PM on Tuesday, June 2, 2020. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: B. J. Atkins, Ed Colley, Kathy Colley, William Cooper, Robert DiPrimio, Jeff Ford, Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Dan Mortensen and Lynne Plambeck via teleconference.

DIRECTORS ABSENT: None.

Also present via teleconference: Matthew Stone, General Manager; 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; Rochelle Patterson, Director of Finance and Administration; Cris Perez, Director of Tech Services; Dirk Marks, Director of Water Resources; Ari Mantis, Human Resources Supervisor; Matt Dickens, Resource Conservation Manager; Jason Yim, Principal Engineer; Shadi Bader, Senior Engineer; Rick Viergutz, Principal Water Resources Planner; Kathie Martin, Public Information Officer; Jonathan Thomas, IT Technician; several additional SCV Water staff; Eryn Torres, Geosyntec Consultants, Inc.; and members of the public.

President Martin called the meeting to order at 6:30 PM. A quorum was present.

Upon motion of Director Plambeck, seconded by Director Cooper and carried, the Board approved the agenda with the removal of Item Nos. 6.1 and 6.4 by the following roll call votes (Item 4):

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

Upon motion of Director Cooper, seconded by Director Ford and carried, the Board approved the Consent Calendar including Resolutions Nos. SCV-151 and SCV-152 and pulled Item Nos. 5.2 and 5.3 for further discussion by the following roll call votes (Item 5):

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

RESOLUTION NO. SCV-151

**RESOLUTION OF THE
SANTA CLARITA VALLEY WATER AGENCY BOARD OF DIRECTORS**

**ADOPTING THE APPROPRIATION OF ALL AS-YET UNAPPROPRIATED FUNDS
FOR FISCAL YEAR 2019/20**

WHEREAS, it is in the best interest of all Agency citizens that the Agency amend its Fiscal Year 2019/20 Budget by appropriating pursuant to Article XIII-B of the California Constitution all as-yet unappropriated funds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clarita Valley Water Agency hereby amends its Fiscal Year 2019/20 Budget by appropriating all as-yet unappropriated funds received through June 30, 2020 to the General Fund/Operating Fund of the Agency, with the exception that any one percent property tax receipts are hereby appropriated to the Agency's Capital Improvement Fund.

RESOLUTION NO. SCV-152

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY
ADOPTING THE APPROPRIATION LIMIT
FOR FY 2020/21**

WHEREAS, the Agency's General Manager has caused to be prepared a calculation of the Agency's annual appropriation limit for the Agency FY 2020/21; and

WHEREAS, documentation used in the determination of said appropriation limit has been publicly available at the Agency's offices for the period required by law; and

WHEREAS, Proposition 111 has determined that the appropriation limit may be set by using either the change in California per capita income or the change in assessed value of non-residential development; and

WHEREAS, it has been determined that the change in California per capita income is the appropriation selection of the Agency; and

WHEREAS, the calculation is hereby found to have been completed in full accordance with Article XIII-B of the California State Constitution and the implementing legislation for Article XIII-B.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Santa Clarita Valley Water Agency does hereby, based upon said calculation, adopt the sum of \$45,653,033 as its FY 2020/21 appropriation limit.

Upon motion of Director Plambeck, seconded by Director Cooper and carried, the Board approved the Lactation Accommodation Policy with the exclusions that (1) the word "will" is changed to "shall" in Section 38.2 (b), (2) the addition in Section 38.1 (c) to reflect that notification does not need to be given every time the employee has a request to use the lactation accommodations and (3) adding language to policy to reflect that the Agency will make reasonable efforts to allow employees to provide notice to someone that the employee may feel more comfortable with, by the following roll call votes (Item 5.2):

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

Upon motion of Director E. Colley, seconded by Director Plambeck and carried, the Board approved the various Employee Policy Manual changes with the removal of the paragraph entitled "Medical Certification" in Section 20.1 under Policy No. 20 by the following roll call votes (Item 5.3):

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

Item 6.1 was pulled from the agenda and not discussed.

Upon motion of Director Cooper, seconded by Director Ford and carried, the Board approved (1) Resolution No. SCV-154 awarding funding in an amount not to exceed \$4,568,687.07 for construction costs and an amount not to exceed \$390,000 for construction management and miscellaneous costs to The Newhall Land and Farming Company, LLC, and authorized the General Manager to execute construction change orders up to ten percent (10%) of the original construction contract, (2) authorized the General Manager to execute a work authorization with Michael Baker International for an amount not to exceed \$190,000 for engineering services during construction and (3) authorized the General Manager to execute a work authorization with TRC Engineers, Inc., for an amount not to exceed \$480,000 for inspection services for the Magic Mountain Pipeline Phase 6B project by the following roll call votes (Item 6.2):

Director Atkins	Yes	Director E. Colley	Yes
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Yes	President Martin	Yes
Director Mortensen	Yes	Director Plambeck	No

RESOLUTION NO. SCV-154

**RESOLUTION OF THE BOARD OF DIRECTORS
 OF THE SANTA CLARITA VALLEY WATER AGENCY
 APPROVING FUNDING FOR CONSTRUCTION CONTRACT
 AND CONSTRUCTION MANAGEMENT
 TO THE NEWHALL LAND AND FARMING COMPANY, LLC,
 FOR THE MAGIC MOUNTAIN PIPELINE PHASE 6B PROJECT**

WHEREAS, Santa Clarita Valley Water Agency (SCVWA) desires to take steps to increase the reliability of its existing water system; and

WHEREAS, SCVWA's Capital Improvement Program includes new pipelines to extend the Agency's existing Magic Mountain Pipeline to the future Magic Mountain Reservoir, located in The Newhall Land and Farming Company, LLC, (Newhall Land)'s Mission Village project; and

WHEREAS, Newhall Land is constructing the Mission Village project, and would like to install/construct SCVWA's new pipelines in four phases, Magic Mountain Pipeline Phases 4, 5, 6A and 6B, as part of Newhall Land's road improvements, subject to SCVWA's reimbursement; and

WHEREAS, any agreement with Newhall Land regarding the Mission Village project is independent of SCVWA's pre-existing plans to construct the pipeline as part of SCVWA's Capital Improvement Program to ensure a reliable supply of water; and

WHEREAS, Castaic Lake Water Agency (CLWA), as a CEQA Responsible Agency, filed the Notice of Determination with the Los Angeles County Clerk's Office and the State Clearinghouse on February 24, 2015 and there are no substantial changes to the project, and no further CEQA documentation is necessary for the Board to act with regards to the proposed actions; and

WHEREAS, the General Manager executed the Magic Mountain Water Pipeline Installation Agreement with Newhall Land for the construction of the Magic Mountain Pipeline Phases 4-6 on August 1, 2018; and

WHEREAS, all bid proposals submitted to Newhall Land, pursuant to the Magic Mountain Water Pipeline Installation Agreement, and the Agency's construction contract documents, as amended by Addendum, were received by Newhall Land on Wednesday, March 18, 2020 by 2:00 p.m., in full accordance with the law and Newhall Land's customary procedures; and

WHEREAS, the Board of Directors finds, after considering the opinion of staff, that the total bid of Leatherwood Construction Inc., in the amount of \$4,568,687.07 is the lowest responsible bid of three bids submitted, and that said bid substantially meets the requirements of said construction contract documents as amended by Addendum; and

WHEREAS, the Agency's Purchasing Policy allows the General Manager to approve change orders up to four percent (4%) of the original contract amount and the Board of Directors may grant a different change authority on a project-specific basis; and

WHEREAS, it is in the Agency's best interest that the Board of Directors change the General Manager's Change Order Authority for this project from four percent (4%) to ten percent (10%); and

WHEREAS, under the terms of the Magic Mountain Water Pipeline Installation Agreement, Newhall Land will perform the construction management and miscellaneous construction support services for this project in an amount not to exceed \$390,000.

NOW, THEREFORE, BE IT RESOLVED that the Agency's Board of Directors does authorize its General Manager to accept said low bid and does therefore authorize the Agency's General Manager or its Chief Operating Officer to approve the funding to Newhall Land for a reimbursement to Leatherwood Construction Inc., hereby found to be the "lowest responsible bidder" for the Magic Mountain Pipeline Phase 6B Project pursuant to said Agency's construction contract documents, as amended by Addendum, for a total construction budget not to exceed \$4,568,687.07.

RESOLVED FURTHER that the Agency's Board of Directors does authorize its General Manager or its Chief Operating Officer to approve change orders up to ten percent (10%) of the original construction contract amount for the Magic Mountain Pipeline Phase 6B Project with details of all construction change orders being reported to the Board of Directors.

RESOLVED FURTHER that the Agency's Board of Directors does authorize its General Manager or its Chief Operating Officer to approve the funding to Newhall Land for construction management and miscellaneous construction support services for the Magic Mountain Pipeline Phase 6B Project pursuant to the Magic Mountain Water Pipeline Installation Agreement in an amount not to exceed \$390,000.

Upon motion of Director Atkins, seconded by Director Mortensen and carried, the Board authorized the General Manager to enter into a contract with Geosyntec Consultants, Inc. to provide data visualization support services by the following roll call votes (Item 6.3):

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

Item 6.4. was pulled from the agenda and not discussed.

Upon motion of Director DiPrimio, seconded by Vice President Gladbach and carried, the Board authorized the General Manager to enter into a contract with Encompass Consultant Group, Inc. for Conservatory Garden Refurbishment Engineering Design Services by the following roll call votes (Item 6.5):

Director Atkins	Yes	Director E. Colley	No
Director K. Colley	No	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Yes	President Martin	Yes
Director Mortensen	No	Director Plambeck	Yes

Upon motion of Director Mortensen, seconded by Director Kelly and carried, the Board approved Resolution No. SCV-155 revising the FY 2020/21 Budget by the following roll call votes (Item 6.6):

Director Atkins	Yes	Director E. Colley	No
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Yes	President Martin	Yes
Director Mortensen	Yes	Director Plambeck	Yes

RESOLUTION NO. SCV-155

**RESOLUTION OF THE
SANTA CLARITA VALLEY WATER AGENCY BOARD OF DIRECTORS
REVISING THE BUDGET FOR FISCAL YEAR 2020/21**

WHEREAS, the Santa Clarita Valley Water Agency has determined under its Board Procedures Manual that the Agency shall annually adopt a budget prior to the commencement of each fiscal year; and

WHEREAS, the Board of Directors approved the FY 2019/20 and FY 2020/21 Biennial Budget on May 21, 2019, but updated and current information calls for the FY 2020/21 Budget to be revised; and

WHEREAS, the Board of Directors has reviewed the Fiscal Year (FY) 2020/21 Budget, including sections on the Operating Budget and Capital Expenditures; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Clarita Valley Water Agency hereby:

1. Adopts the revised FY 2020/21 Budget (Attachment 1).
2. Appropriates the Operating Expenditures, Capital Expenditures, and Debt Principal and Interest Payment for FY 2020/21 as shown in the Financial Summary (Attachment 1).
3. Authorizes the General Manager to adjust the appropriations within each fund, provided however, the total appropriations for the entire fund do not exceed the amounts approved in this budget resolution (or amending resolution).

Upon motion of Director Kelly, seconded by Director Plambeck and carried, the Board agreed to not appoint a successor to fill the vacant Division 2 Board seat and permanently eliminate such Board seat pursuant to Section 8 of the Santa Clarita Valley Water Agency Act by the following roll call votes (Item 6.7):

Director Atkins	Yes	Director E. Colley	No
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Yes	President Martin	Yes
Director Mortensen	Yes	Director Plambeck	Yes

The Chief Financial and Administrative Officer Eric Campbell reviewed documents including the Preliminary Official Statement in connection with the issuance of the Series 2020A and 2020B Revenue Bonds (Item 7).

The Director of Finance and Administration Rochelle Patterson reviewed the status of the Employee Compensation and Classification Study (Item 8).

General Manager's Report on Activities, Projects and Programs (Item 9).

Updates from the General Manager were as follows:

- He stated that this is the Agency's 75th day of modified operations under COVID-19 executive orders and county health department guidance. He mentioned that we transitioned some of the staff back to field and office duties last week. SCV Water now has about 50% of its staff working onsite or in the field, about 30% working remotely, and about 20% working an alternating schedules.
- SCV Water will have its first All Staff meeting by video conference on June 4, 2020. He reflected on how staff has done an outstanding job in adapting to and working through the changes and how deeply he appreciates the can-do spirit and safety consciousness that has prevailed over the last several months.
- His term as President of the State Water Contractors has concluded and the new President is Valerie Pryor. He remains on the Board representing this area which includes SCV Water and contracting agencies in Ventura County.
- He received confirmation today that he has been appointed to serve on Los Angeles County's Safe, Clean Water Program Scoring Committee. He is reviewing the packet of training and guidelines and the next meeting will be held on June 22.

Committee Meeting Recap Reports (Item 10).

There was no discussion.

Written Reports (Item 11).

There was no discussion.

President's Report (Item 12).

President Martin reported on the May 26, 2020 Financial Integration Ad Hoc Committee Meeting (Item 12.1).

He stated that the purpose of the Ad Hoc Committee meeting was to develop a draft policy or policy framework, for consideration by the full Board for the integration of Agency finances in accordance with the provisions, requirements and restrictions of the Santa Clarita Valley Water Agency (SCV Water) Act, also known as SB 634.

He further advised the Board that this was the second meeting of the Committee, and that there were no detailed conclusions to report at this time. However, there is a consensus agreement on the following fundamental points that were the basis for how SCV Water was shaped and legislated:

- All assets and liabilities were conveyed to SCV Water with no identification of separate treatment.
- Legacy debt of the retail entities as of the date of formation, or entry into the new agency in the case of Valencia Water Company, would be retired separately from the rates and charges of the respective division.
- The goal is integration into a single entity with a single rate structure and no divisions.

He went on to say that as he reported after the last Ad Hoc meeting, the Committee has taken into consideration the information submitted by Director Colley and will continue to do so as these discussions continue. It is the Committee's hope that a draft policy will be brought to the full Board for discussion and consideration in the near future.

President Martin continued with the President's report on the following items:

- Reminded the Board of upcoming events and advised the Board that all future Board and Committee meetings, until further notice, would be by GoToMeetings.
- Mentioned we received a few requests for support of candidates for the CSDA Board Southern Network Seat C, which were for the incumbent Arlene Schafer and the challenger Greg Mills.
- Discussed Vice President Gutzeit's suggestion we talk about Directors use of video during meetings as a preferred way of attending. His thoughts are that he doesn't mind asking to consider using the video but it is totally at the discretion of the Directors if they want to use video or audio during the meeting. He further stated that Vice President Gutzeit thought it might make for a better meeting if we could all see each other during the meeting
 - Vice President Gutzeit advised the Board that she wanted to clarify her request saying that due to all the recent chaos that has been happening and how she is very proud of the Agency and how it conducts business she just views anything that we can do to reassure the public by letting them see us and see us working is a good thing.
- Lastly, he advised the Board that former Director Tom Campbell would be attending a future meeting so that the Board could recognize his service.

AB 1234 Reports (Item 13).

Written reports were submitted by President Martin and Vice President Gladbach and were included in the Board packet which is part of the record. Additional reports were submitted by Vice President Gutzeit and Directors Atkins and Plambeck which were posted on the website, OnBoard and are part of the record.

There were no further AB 1234 Reports.

Director Reports (Item 14).

Vice President Gladbach updated the Board on his meeting with the ACWA/JPIA Executive Committee on June 1, 2020 and in view of the challenging reduced finances from member Agencies they reduced the Worker Compensation rates by 10%.

There were no other Director reports.

Upon motion of Director Plambeck, seconded by Director Ford and carried, the Board went into Closed Session at 9:43 PM on a separate teleconference line to discuss the items listed on the Agenda by the following roll call votes (Item 15):

Director Atkins	Yes	Director E. Colley	Yes
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Not Present	President Martin	Yes
Director Mortensen	Yes	Director Plambeck	Yes

The Board was instructed to disconnect from the current call and redial in on a separate teleconference line that was provided to them. President Martin instructed the public members and staff who wanted to stay on the call, to stay on the teleconference line and once Closed Session has ended, the Board will reconvene for Closed Session announcements and the conclusion of the meeting.

President Martin reconvened the Open Session at 10:05 PM.

Joe Byrne Esq, reported that there were no actions taken in Closed Session that were reportable under the Ralph M. Brown Act (Item 16).

Director Requests for Approval for Event Attendance (Item 17).

There were no Director requests for event attendance.

Request for Future Agenda Items (Item 18).

There were no requests for future agenda items.

Upon motion of Director Plambeck, seconded by Director Atkins and carried, the meeting was adjourned at 10:11 PM by the following roll call votes (Item 19):

Director Atkins	Yes	Director E. Colley	Yes
Director K. Colley	Yes	Director Cooper	Yes
Director DiPrimio	Yes	Director Ford	Yes
Vice President Gladbach	Yes	Vice President Gutzeit	Yes
Director Kelly	Not Present	President Martin	Yes
Director Mortensen	Yes	Director Plambeck	Yes



April Jacobs, Board Secretary

ATTEST:



President of the Board

