

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – July 2, 2019

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at the Santa Clarita Valley Water Agency located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 at 6:30 PM on Tuesday, July 2, 2019. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Dante Acosta, Tom Campbell, William Cooper, Robert DiPrimio (Arrived at 6:37 PM), Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Dan Mortensen and Lynne Plambeck.

DIRECTORS ABSENT: B. J. Atkins, Ed Colley and Kathy Colley.

Also present: Matthew Stone, General Manager; Tom Bunn, General Counsel; April Jacobs, Board Secretary; Steve Cole, Assistant General Manager; Eric Campbell, Chief Financial and Administrative Officer; Keith Abercrombie, Chief Operating Officer; Mike Alvord, Director of Operations and Maintenance; Jeff Herbert, Senior IT Technician; Terri Bell, Administrative Assistant; and members of the public.

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

Upon motion of Director Gladbach, seconded by Director Acosta and carried, the Agenda was approved by the following electronic votes (Item 4):

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

Upon motion of Director Acosta, seconded by Director Gladbach and carried, the Board approved the Consent Calendar including Resolution Nos. SCV-110, SCV-111, SCV-112, SCV-113 and SCV-114 by the following electronic votes (Item 5):

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

RESOLUTION NO. SCV-110

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING THE JULY 2019 WATER SUPPLY CONTRACT PAYMENT**

WHEREAS, Santa Clarita Valley Water Agency is the successor agency to Castaic Lake Water Agency; and

WHEREAS, the Castaic Lake Water Agency on April 30, 1963 contracted with the State of California through the Department of Water Resources for a water supply pursuant to the California Water Resources Development Bond Act; and

WHEREAS, the Castaic Lake Water Agency on June 23, 1972 joined in the Devil Canyon-Castaic Contract, which amended payment terms of the State Water Contract to require Agency payment for debt service on bonds issued under the contract and operation and maintenance of certain facilities; and

WHEREAS, the Santa Clarita Valley Water Agency is currently entitled under the Water Supply Contract, as amended, to a total Annual Table A amount of 95,200 acre-feet; and

WHEREAS, the Water Supply Contract, as amended, requires the Santa Clarita Valley Water Agency to make payments to the Department of Water Resources for water service for the following charges: (1) a Delta Water Charge, (2) a Transportation Charge, (3) a Devil Canyon-Castaic Contract Charge, (4) an Off-Aqueduct Power Facilities Charge as an addition to the Transportation Charge and (5) a Water System Revenue Bond Surcharge; and

WHEREAS, pursuant to Article 29 of the Water Supply Contract and Articles 17 and 22 of the Devil Canyon-Castaic Contract, the Santa Clarita Valley Water Agency has received statements of charges embracing and detailing the payment due in July 2019; and

WHEREAS, a summary of the charges contained in the statements is as follows and the total of the invoiced July 2019 Water Supply Contract charges is \$4,271,668, plus Variable Operation, Maintenance, Power and Replacement Charges.

	Delta Water Charge	Transportation Charge	Devil Canyon Castaic Charge	Off-Aqueduct Power Charge	Water System Revenue Bond Surcharge	Total
July 2019	\$ 1,437,521	\$ 1,519,522	\$ 77,767	\$ 675	\$ 1,236,183	\$ 4,271,668

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the Santa Clarita Valley Water Agency authorizes the General Manager to disburse funds from the State Water Contract Fund, subject to adjustments, in a timely manner to meet the Water Supply Contract and Devil Canyon-Castaic Contract payment obligations due in July 2019.

RESOLUTION NO. SCV-111

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
SETTING SANTA CLARITA VALLEY WATER AGENCY TAX RATE FOR
FISCAL YEAR 2019/20 AND REQUESTING LEVY
OF TAX BY LOS ANGELES COUNTY**

WHEREAS, pursuant to the Ross-Johnson-Marks Property Tax Limitation Act of 1985, the Agency is empowered to make payments to the State of California under contracts for the sale, delivery, or use of water entered into pursuant to the California Water Resources Development Bond Act as set forth in the California Water Code; and

WHEREAS, the Agency is hereby setting an ad valorem property tax rate for its Fiscal Year 2019/20, pursuant to Revenue and Taxation Code, Section 97.65 (a), solely for the making of the aforesaid type of payment, and not to fund any reduction whatsoever in the rates charged by the Agency for water.

NOW, THEREFORE, BE IT RESOLVED that this Board of Directors of the Santa Clarita Water Agency does hereby fix the rate of tax to be levied against all taxable property within the Agency at \$0.000706000 for each \$1.00 of assessed valuation, or \$0.070600 for each \$100 of assessed valuation, for Fiscal Year 2019/20 for the aforesaid purpose.

RESOLVED FURTHER that this Board does hereby request and direct that, at the time and in the manner required by law for levying taxes for county purposes, the Board of Supervisors of Los Angeles County, in addition to such other tax as may be levied by said Board of Supervisors, levy a tax upon all taxable property in Los Angeles County within the Santa Clarita Valley Water Agency at the aforesaid rate so fixed and determined by the Board of Directors of the said Agency, all pursuant to Resolution No. 70 of the Agency, as adopted on September 6, 1967.

RESOLVED FURTHER that the Board of Directors of this Agency does hereby direct that the Secretary of the Agency cause to be delivered to the Board of Supervisors of Los Angeles County a certified copy of this resolution, and the Secretary is further authorized to furnish any legally required Agency budget information reasonable needed by the officers of the said County with respect to the aforesaid tax and tax rate.

RESOLUTION NO. SCV-112

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY
SETTING SANTA CLARITA VALLEY WATER AGENCY TAX RATE FOR
FISCAL YEAR 2019/20 AND REQUESTING LEVY
OF TAX BY VENTURA COUNTY**

WHEREAS, pursuant to the Ross-Johnson-Marks Property Tax Limitation Act of 1985, the Agency is empowered to make payments to the State of California under contracts for the sale, delivery, or use of water entered into pursuant to the California Water Resources Development Bond Act as set forth in the California Water Code; and

WHEREAS, the Agency is hereby setting an ad valorem property tax rate for its Fiscal Year 2019/20, pursuant to Revenue and Taxation Code, Section 97.65 (a), solely for the making of the aforesaid type of payment, and not to fund any reduction whatsoever in the rates charged by the Agency for water.

NOW, THEREFORE, BE IT RESOLVED that this Board of Directors of the Santa Clarita Valley Water Agency does hereby fix the rate of tax to be levied against all taxable property within the Agency at \$0.00070600 for each \$1.00 of assessed valuation, or \$0.070600 for each \$100 of assessed valuation, for Fiscal Year 2019/20 for the aforesaid purpose.

RESOLVED FURTHER that this Board does hereby request and direct that, at the time and in the manner required by law for levying taxes for county purposes, the Board of Supervisors of Ventura County, in addition to such other tax as may be levied by said Board of Supervisors, levy a tax upon all taxable property in Ventura County within the Santa Clarita Valley Water Agency at the aforesaid rate so fixed and determined by the Board of Directors of the said Agency, all pursuant to Resolution No. 69 of the Agency, as adopted on September 6, 1967.

RESOLVED FURTHER that the Board of Directors of this Agency does hereby direct that the Secretary of the Agency cause to be delivered to the Board of Supervisors of Ventura County a certified copy of this resolution, and the Secretary is further authorized to furnish any legally required Agency budget information reasonable needed by the officers of the said County with respect to the aforesaid tax and tax rate.

RESOLUTION NO. SCV-113

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CLARITA VALLEY WATER AGENCY
AUTHORIZING THE EXTENSION OF A LETTER OF CREDIT AND
RELATED AGREEMENTS SUPPORTING ADJUSTABLE RATE REFUNDING REVENUE
CERTIFICATES OF PARTICIPATION AND
CERTAIN OTHER MATTERS RELATED THERETO**

WHEREAS, the Santa Clarita Valley Water Agency (the "Agency"), an agency duly organized and existing under and pursuant to the Constitution and laws of the State of California (the "State") is the successor to Castaic Lake Water Agency ("CLWA"), which has previously authorized the execution and delivery of Adjustable Rate Refunding Revenue Certificates of Participation, Series 2008A (1994 Refunding Project) (the "Certificates"); and

WHEREAS, a letter of credit (the "Letter of Credit") was issued by Wells Fargo Bank, National Association ("Wells Fargo") to support the payment of the principal and interest with respect to and the purchase price of the Certificates; and

WHEREAS, the Letter of Credit expires by its term of August 30, 2019; and

WHEREAS, the Agency has determined to extend the Wells Fargo Letter of Credit.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the Santa Clarita Valley Water Agency hereby finds, determines, declares and resolves as follows:

SECTION 1. The Fourth Amendment to Reimbursement Agreement, dated as of July 26, 2019, by and between the Agency and Wells Fargo amending the Reimbursement Agreement, dated as of March 23, 2016, by and between the Agency as successor to CLWA and Wells Fargo (collectively, the "Amended Reimbursement Agreement") and the Fee Letter, by and between the Agency as successor to CLWA and Wells Fargo (the "Fee Letter"), pursuant to which the Letter of Credit will be extended, in substantially the forms on file with the Secretary of the Board are hereby approved, subject to final approval as to form by the law firm of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Special Counsel"). The President and Secretary of the Board are hereby authorized and directed to execute and deliver such Amended Reimbursement Agreement and Fee Letter with such changes, insertions and omissions as may be approved by Special Counsel, said Agency officers' execution being conclusive evidence of such approval.

SECTION 2. The President, the General Manager and the Secretary of the Board, and such other officers of the Agency, are authorized and directed, jointly and severally, to do any and all things to execute and deliver any and all documents, including but not limited to amendments or supplements to the existing remarketing agreement, trust agreement or other agreements related to the Certificates necessary to effectuate the extension of the Letter of Credit and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 3. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Amended Reimbursement Agreement unless the context otherwise clearly requires.

SECTION 4. This resolution shall take effect immediately.

RESOLUTION NO. SCV-114

JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES ACTING IN BEHALF OF

Los Angeles County General Fund

Los Angeles County Consolidated Fire Protection District

Los Angeles County Flood Control

THE BOARD OF DIRECTORS OF SANTA CLARITA VALLEY SANITATION DISTRICT OF LOS ANGELES COUNTY, AND THE GOVERNING BODIES OF

Greater Los Angeles County Vector Control District

Antelope Valley Resource Conservation District

City of Santa Clarita

Santa Clarita Library

Santa Clarita Valley Water Agency

APPROVING AND ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM ANNEXATION TO SANTA CLARITA VALLEY SANITATION DISTRICT.

"ANNEXATION NO. 1100"

WHEREAS, pursuant to Section 99 and 99.01 of the Revenue and Taxation Code, prior to the effective date of any jurisdictional change which will result in a special district providing a new service, the governing bodies of all local agencies that receive an apportionment of the property tax from the area must determine the amount of property tax revenues from the annual tax increment to be exchanged between the affected agencies

and approve and accept the negotiated exchange of property tax revenues by resolution;
and

WHEREAS, the governing bodies of the agencies signatory hereto have made determinations of the amount of property tax revenues from the annual tax increments to be exchanged as a result of the annexation to Santa Clarita Valley Sanitation District entitled *Annexation No. 1100*;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues resulting from the annexation of territory to Santa Clarita Valley Sanitation District in the annexation entitled *Annexation No. 1100* is approved and accepted.

2. For each fiscal year commencing on and after July 1, 2018 or after the effective date of this jurisdictional change, whichever is later, the County Auditor shall transfer to Santa Clarita Valley Sanitation District a total of 0.9575090 percent of the annual tax increment attributable to the land area encompassed within *Annexation No. 1100* as shown on the attached Worksheet.

3. No additional transfer of property tax revenues shall be made from any other tax agencies to Santa Clarita Valley Sanitation District as a result of annexation entitled *Annexation No. 1100*.

4. No transfer of property tax increments from properties within a community redevelopment project, which are legally committed to a Community Redevelopment Agency, shall be made during the period that such tax increment is legally committed for repayment of the redevelopment project costs.

5. 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.

The foregoing resolution was adopted by the Board of Supervisors of the County of Los Angeles, the Board of Directors of Santa Clarita Valley Sanitation District of Los Angeles County, and the governing bodies of Greater Los Angeles County Vector Control District, Antelope Valley Resource Conservation District, City of Santa Clarita, Santa Clarita Library, and Santa Clarita Valley Water Agency, signatory hereto.

Upon motion of Director Campbell, seconded by Director DiPrimio and carried, the Board approved the Expedited Bench-Scale Testing for PFAS Treatment Options with Water Quality & Treatment Solutions, Inc. in the amount of \$200,000 and additional field work as needed in the amount of \$25,000 for a total project amount not to exceed \$225,000 by the following electronic votes (Item 6):

Director Acosta	Yes	Director Atkins	Absent
Director Campbell	Yes	Director E. Colley	Absent

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

The General Manager reported on how staff and consultants are working together to come up with the best way to move forward on developing a process/plan on how to deal with PFAS and PFOA's. He stated that the Agency's position is about meeting standards that are set based on sound science which would protect public health. He gave a few updates on the State Water Project and contract amendments and discussed briefly the Single Tunnel Delta Conveyance Concept and how it will address issues regarding the approach on cost allocation and operational considerations for incorporating that Project into the contract (Item 7).

Director Mortensen reported that due to the switch over in the payroll software, the payroll numbers were not included in the July 2, 2019 Board packets monthly financial reports.

There was no discussion on Item 9.

The Board President advised the Board of upcoming events (Item 10).

AB 1234 Reports (Item 11).

A written report was submitted by Director Plambeck which was handed out and is part of the record.

President Cooper reported that he participated in a conference call with Mitch Rosenberg on June 25, 2019.

Director Acosta reported that he attended the VIA Cocktails and Conversation Luncheon with Kathryn Barger held at Valencia Country Club on June 26, 2019.

Director DiPrimio reported that he attended a breakfast meeting with the General Manager on June 27, 2019.

Director Reports (Item 12).

There were no Director reports.

There were no requests for approval for event attendance (Item 13).

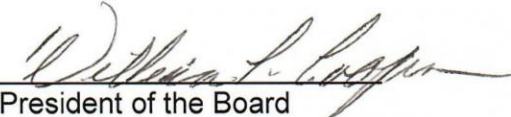
There were no requests for future agenda items (Item 14).

Upon motion of Director Mortensen, seconded by Director Gladbach and carried, the meeting was adjourned at 7:23 PM by the following electronic votes (Item 15):

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


April Jacobs, Board Secretary

ATTEST:


President of the Board

