

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – April 17, 2018

A regular 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 Tuesday, April 17, 2018. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: Directors B. J. Atkins, Tom Campbell, Ed Colley, Kathy Colley, Robert DiPrimio, Dean Efstathiou, Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Jacque McMillan, Dan Mortensen and Lynne Plambeck were in attendance.

DIRECTORS ABSENT: William Cooper and Gary Martin.

Also present: Matthew Stone, General Manager; Joe Byrne and Tom Bunn, General Counsel; April Jacobs, Board Secretary; Steve Cole, Assistant General Manager; Valerie Pryor, Assistant General Manager; Brian Folsom, Chief Engineer; Keith Abercrombie, Chief Operating Officer; Kathie Martin, Public Information Officer; Cris Perez, Director of Tech Services; several SCV Water staff; Fred Fudacz, Nossaman, LLP.; and members of the public.

Vice President Gutzeit called the meeting to order at 6:32 PM. A quorum was present.

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

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

Upon motion of Director Gladbach, seconded by Director Campbell and carried, the Board approved Resolution No. SCV-28 honoring Valerie L. Pryor by the following votes (Item 5.1):

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

**RESOLUTION NO. SCV-28
RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA CLARITA VALLEY WATER AGENCY
HONORING AND COMMENDING VALERIE PRYOR
FOR HER SERVICE AND CONTRIBUTIONS**

WHEREAS, Valerie Pryor has served the Santa Clarita Valley community for nearly fifteen years in a variety of roles through the former Castaic Lake Water Agency (CLWA) and Santa Clarita Valley Water Agency (SCV Water); and

WHEREAS, Valerie has served as the Administrative Services Manager for the former CLWA, and served as Assistant General Manager for the former CLWA as well as SCV Water; during which times she has also served as Treasurer; and

WHEREAS, during Valerie's tenure, the former CLWA received 12 consecutive Distinguished Budget Presentation Awards from the Government Finance Officers Association (GFOA) and 11 consecutive California Society of Municipal Financial Offices Operating Budget Excellence Awards; and

WHEREAS, Valerie has been diligent in her management and administration of the former CLWA and Upper Santa Clara River Joint Powers Authority regional facilities capital debt issuances, realizing many millions of dollars in savings for the community through timely and efficient financing and refinancing over the years; and

WHEREAS, during Valerie's tenure, the municipal bond credit rating agencies have upgraded the credit rating for the former CLWA and Upper Santa Clara River Joint Powers Authority outstanding debt issuances resulting in lower borrowing costs; and

WHEREAS, Valerie has participated on behalf of SCV Water's interest in the State Water Project (SWP), including the roles with State Water Project Contractors Inc. (SWC) as member of the SWC Finance Committee, among others; and

WHEREAS, Valerie has served as part of the team negotiating both SWP Contract Extension and CA WaterFix Contract Amendments, and throughout that time her insights have been respected and of benefit to both SCV Water and the wider body of State Water Contractors; and

WHEREAS, Valerie's forward thinking, planning, perseverance, hard work and diligence provided for a successful transition of Valencia Water Company to public operation over multiple years, which was completed in January of 2018, ahead of the schedule provided in SB 634; and

WHEREAS, Valerie provided significant contributions and worked within time constraints towards successfully realizing the Boards' vision of a unified SCV Water through the implementation of SB 634; and

WHEREAS, Valerie's intelligence, initiative, alacrity and wit have been of great value to SCV Water team and will be missed.

NOW THEREFORE BE IT RESOLVED, that the Santa Clarita Valley Water Agency Board of Directors thanks Valerie Pryor for her years of public service to the residents of the Santa Clarita Valley and wishes her every success in her new role as the General Manager for the Zone 7 Water Agency serving her new community in the Livermore Valley.

The Board recognized Valerie L. Pryor for her distinguished service to both Castaic Lake Water Agency and the Santa Clarita Valley Water Agency (item 5.2).

The Board took at brief recess at 6:49 PM and reconvened at 7:00 PM.

Upon motion of Director Gladbach, seconded by Director K. Colley and carried, the Board approved the Consent Calendar including Resolution Nos. SCV-29 and SCV-30, by the following votes (Item 6):

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

RESOLUTION NO. SCV-29

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY ESTABLISHING BANKING AUTHORITY FOR THE NEWHALL WATER DIVISION WITH WELLS FARGO BANK

WHEREAS, the Santa Clarita Valley Water Agency regional division and retail divisions SCWD and VWC have existing banking relationships with Wells Fargo Bank (Bank), and Newhall Water Division has a current banking relationship with the Santa Clarita Branch of Mission Valley Bank; and

WHEREAS, the Newhall Water Division wishes to switch banking institutions from Mission Valley Bank to Wells Fargo Bank for Agency consistency and ease of transaction with respect to their General Account, Customer Deposit Account, Construction Meter Deposit Account, and Aflac Account; and

WHEREAS, said Bank requests that the Agency define Agency officials authorized to make withdrawals from and perform other business details concerning said account; and

WHEREAS, consistent with the terms of this resolution, the Agency's Board finds it to be in the Agency's best interest to authorize continuation of the above banking relationships.

NOW, THEREFORE BE IT RESOLVED that the President, Vice Presidents (2), General Manager, Assistant General Managers (2), Director of Finance, Director of Administrative Services and Controller are authorized to sign or countersign withdrawal orders, and Wells Fargo Bank is authorized to honor and pay all withdrawal orders – including those drawn to the order of the President, Vice Presidents (2), General Manager, Assistant General Managers (2), Director of Finance, Director of Administrative Services or Controller signed in the manner required by this resolution; and

RESOLVED FURTHER that the General Manager; Assistant General Managers (2), Director of Finance, Director of Administrative Services or Controller is authorized to order withdrawals from said account up to a **maximum of \$25,000 per order on his or her signature only**, and either said General Manager, Assistant General Managers (2), Director of Finance, Director of Administrative Services or Controller is authorized to order withdrawals from said accounts **exceeding the sum of \$25,000 but not to exceed \$1,000,000** per order on his or her signature when the order is **countersigned by one** of the authorized signatures of the President, Vice Presidents (2), General Manager, Assistant General Managers (2), Director of Finance, Director of Administrative Services or Controller; and

RESOLVED FURTHER that the President, Vice Presidents (2), General Manager, Assistant General Managers (2), Director of Finance, Director of Administrative Services or Controller is authorized to order withdrawals from each account **without limit when countersigned by one** of the authorized signatures of the **President or Vice Presidents (2)**; and

RESOLVED FURTHER that any and all of the foregoing nine Agency Officers are hereby authorized to execute on behalf of the Agency all Bank forms and agreements which, in their absolute discretion, are consistent with this resolution.

RESOLUTION NO. SCV-30

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY CONFIRMING NO ELECTION IN NOVEMBER 2018 PURSUANT TO SECTION 8.(D)(1) OF THE SANTA CLARITA VALLEY WATER AGENCY ACT

WHEREAS, pursuant to SB 634, the Santa Clarita Valley Water Agency Act (Act) went into effect on January 1, 2018 and created the Santa Clarita Valley Water Agency (SCV Water), which is the successor entity to the Castaic Lake Water Agency and the Newhall County Water District; and

WHEREAS, there were fifteen (15) initial members of the SCV Water Board of Directors, fourteen (14) of which were elected members and represent one of three electoral divisions, and one of which is an appointed member representing the Los Angeles County Waterworks District 36; and

WHEREAS, pursuant to Section 8.(d)(1) of the Act, "The initial terms of the directors whose respective terms as a member of the Castaic lake Water Agency or Newhall County Water District board of directors would have expired following the 2018 general election shall expire following the 2020 general election"; and

WHEREAS, pursuant to Section 9.(a) "All elected successors of the first board of directors shall be elected at the time and in the manner perceived in the Uniform District Election Law (Part 4(commencing with Section 10500) of Division 10 of the Elections Code)".

NOW THEREFORE, BE IT RESOLVED that pursuant to Section 8.(d)(1) of the Act, the Board of Directors of the Santa Clarita Valley Water Agency will not hold an election in November of 2018.

FURTHER RESOLVED that staff is directed to notify the Los Angeles County Registrar-Recorder/County Clerk and the Ventura County/County Clerk and Recorder of the Board of Director's action.

Upon motion of Director Gladbach, seconded by Director E. Colley and carried, the Board approved Resolution No. SCV-31 authorizing the execution and delivery of an amended Joint Exercise of Powers Agreement between Santa Clarita Valley Water Agency and the Devil's Den Water District by the following votes (Item 7.1):

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

**RESOLUTION NO. SCV-31
RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY
WATER AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED
AND RESTATED JOINT EXERCISE OF POWERS
AGREEMENT BY AND BETWEEN THE SANTA CLARITA VALLEY WATER
AGENCY AND DEVIL'S DEN WATER DISTRICT AND
APPROVING CERTAIN MATTERS IN
CONNECTION THEREWITH**

WHEREAS, the Santa Clarita Valley Water Agency (Agency), acting pursuant to Article I (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, may enter into a joint exercise of powers agreement with one or more other public agencies pursuant to which such contracting parties may jointly exercise any power common to them and, pursuant to Section 6588 of the Government Code of the State of California, to exercise certain additional powers; and

WHEREAS, the Board of Directors (Board) of the Agency determined that it is in the best interest of the Agency to establish the Upper Santa Clara Valley Joint Powers Authority (Authority) and adopted Resolution No. 2804 on May 25, 2011 to this effect; and

WHEREAS, there has been presented at this meeting an amended and restated Joint Exercise of Powers Agreement (Agreement), by and between the Agency and the Devil's Den Water District; and

WHEREAS, under California law and the Agreement, the Authority will be a public entity separate and apart from the parties to the Agreement, and the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of the Agency or any representative of the Agency serving on the governing body of the Authority.

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

SECTION 1. The Agreement, in substantially the form on file with the Secretary of the Board, is hereby approved, subject to final approval as to form by General Counsel and 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 Agreement 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 Board hereby appoints the President of the Board and the two Vice Presidents of the Board to serve on the board of directors of the Authority in accordance with the terms of the Agreement.

SECTION 3. The President and the Secretary of the Board, the General Manager, the Treasurer and such other officers of the Agency are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, which they may deem necessary or advisable in order to consummate the establishment of the Authority and the entry into of the Agreement and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 4. Unless otherwise defined herein, all terms used herein and not otherwise defined shall have the meanings given such terms in the Agreement unless the context otherwise clearly requires.

SECTION 5. This Resolution shall take effect immediately.

Assistant General Manager Valerie Pryor gave a presentation on an overview of the FY 2018/19 Budget (Item 8).

AB 1234 Reports (Item 11):

Written reports were submitted and filed by Director Efstathiou, Martin and McMillan.

Director Atkins reported that he attended the VIA Monthly luncheon held at the Valencia Country Club on April 17, 2018.

Director E. Colley reported that he attended a lunch meeting with General Manager Matt Stone on April 4, 2018.

Upon motion of Director Colley, seconded by Director McMillan and carried, the Board went into Closed Session at 7:48 PM to discuss the items listed on the Agenda by the following votes (Item 13):

Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Absent	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes

April 17, 2018

Page 7 of 8

Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Absent	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Gladbach, seconded by Director K. Colley and carried, the Board voted to come out of Closed Session at 8:47 PM by the following votes:

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

Vice President Gutzeit reconvened the Open Session at 8:47 PM.

Tom Bunn, Esq., reported that the Board took action on Item 13.1 Anticipated Litigation – Initiation of Litigation, pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9, to initiate litigation, by motion of Director E. Colley, seconded by Director K. Colley and carried by the following votes (Item 14):

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

There were no other actions taken in Closed Session that were reportable under the Ralph M. Brown Act (Item 14).

Upon motion of Director Gladbach, seconded by Director Mortensen and carried, the meeting was adjourned at 8:51 PM by the following votes (Item 16):

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



April Jacobs, Board Secretary

ATTEST:


President of the Board

