

AMENDED AGENDA

**REGULAR MEETING AGENDA
CASTAIC LAKE WATER AGENCY
Rio Vista Water Treatment Plant
27234 Bouquet Canyon Road
Santa Clarita, CA 91350
Wednesday, April 26, 2017 at 6:15 P.M.**



5:30 P.M. Board Room and Training Room Open to Public
(Gathering of Directors for quorum in the Board Room and Training Room; dinner for Directors and staff – No discussion of Agency business will take place prior to the Call to Order at 6:15 P.M.)

OPEN SESSION BEGINS AT 6:15 P.M.

1. REGULAR PROCEDURES

- 1.1. Call to Order
- 1.2. Pledge of Allegiance
- 1.3. Public Comments – Members of the public may comment as to items not on the Agenda at this time. Members of the public wishing to comment on items covered in this agenda may do so now or prior to each item as they arise. Please complete and return a comment request form to the Agency Board Secretary. (Comments may, at the discretion of the Board's presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:15 P.M.
- 1.4. Acceptance of Agenda

BOARD OF DIRECTORS

PRESIDENT
ROBERT J. DIPRIMIO

VICE PRESIDENT
GARY R. MARTIN

E.G. "JERRY" GLADBACH
DEAN D. EFSTATHIOU
WILLIAM C. COOPER
WILLIAM PECSI
THOMAS P. CAMPBELL
EDWARD A. COLLEY
JACQUELYN H. McMILLAN
R. J. KELLY
B. J. ATKINS

2. CONSENT CALENDAR

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2.1.*	Approve Minutes of April 12, 2017 Regular Board Meeting of the Board of Directors	5
2.2.*	Authorize the General Manager to Execute Addendum Number 2 to the Honby Pipeline Relocation Agreement and Approve Payment to Newhall Land and Farming	11
2.3.*	Approve Proposed Refinements to the Residential and CII Turf Replacement Programs	15
2.4.*	Approve Receiving and Filing of SCWD February 2017 Finance and Expenditure Report	17
2.5.*	Approve Receiving and Filing of Wholesale February 2017 Finance and Expenditure Report	41

GENERAL MANAGER
MATTHEW G. STONE

GENERAL COUNSEL
BEST BEST & KRIEGER, LLP

SECRETARY
APRIL JACOBS

3. PRESIDENT'S AND DIRECTORS' REPORTS

- 3.1. President's Report
- 3.2. AB 1234 Reports
- 3.3. Directors' Reports

"A PUBLIC AGENCY PROVIDING RELIABLE, QUALITY WATER AT A REASONABLE COST TO THE SANTA CLARITA VALLEY"

4. GENERAL MANAGER’S REPORT

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	4.1.1. Presentation on Emergency and Operational Storage Study	
4.2.*	April 6, 2017 Water Resources Committee Meeting	97
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*	4.3.1. Approve a Proposed Employee Salary Adjustment for FY 2017/18	115
*	4.3.2. Review Draft FY 2017/18 Wholesale Budget	127
*	4.3.3. Review Draft FY 2017/18 SCWD Budget	161
4.4.*	April 13, 2017 Financial and Operations Committee Meeting	189
4.5.	Consider Legislation and Any Amendments Regarding Creation of New Water District	
4.6.	Ongoing Activities, Programs and Projects	

5. WRITTEN REPORTS FOR INFORMATION PURPOSES ONLY

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6. CONSIDERATION OF POSSIBLE FUTURE AGENDA ITEMS

7. CLOSED SESSION

- 7.1. Conference with Legal Counsel – Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) Section 54859.9 (1 case)
- 7.2. Conference with Real Property Negotiators (Section 54956.8):
 - Property: Proposed Single Year Transfer (Calendar Year 2017) of CLWA Water Stored as part of the Buena Vista Water Storage District and Rosedale-Rio Bravo Water Storage District Water Banking and Recovery Program
 - Agency Negotiators: Matthew Stone and Dirk Marks
 - Negotiating Parties: Various Central Valley Project and State Water Project Contractors
 - Under Negotiation: Price and Terms of Payment
- 7.3. Conference with Real Property Negotiators (Section 54956.8):
 - Property: The Castaic Lake Water Agency Owned Property within the Devil's Den Water District, Located in Kings and Kern County
 - Agency Negotiator: Dirk Marks and Matthew Stone
 - Negotiating Parties: Total Recall
 - Under Negotiation: Price and Terms of Payment
- 7.4. Conference with Legal Counsel – Existing Litigation, Paragraph (1) of Subdivision (d) of Section 54956.9 (1 case):
 - (1) Santa Clarita Organization for Planning the Environment v. Castaic Lake Water Agency et al., Los Angeles Superior Court, Case No. BS147721 (Challenge to Agency Acquisition of VWC Stock)

8. CLOSED SESSION ANNOUNCEMENTS

9. ADJOURNMENT

- * Indicates attachment
- ◆ To be distributed

Note: The Board reserves the right to discuss or take action or both on all of the above agenda items.

NOTICES:

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Castaic Lake Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Castaic Lake Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.clwa.org>.





Castaic Lake Water Agency Memorandum

April 5, 2017

To: CLWA Board of Directors

From: Brian J. Folsom *BJF*
Engineering and Operations Manager

Subject: Authorize the General Manager to Execute Addendum Number 2 to the Honby Pipeline Relocation Agreement and Approve Payment to Newhall Land and Farming

SUMMARY

In August 2005, the Board of Directors authorized entering into the Honby Pipeline Phase 1 Relocation Agreement (Relocation Agreement) with Newhall Land and Farming (NLF). The Relocation Agreement outlined the responsibilities and obligations of both parties associated with the relocation of the Agency's existing Honby Pipeline. In August 2006, Addendum Number 1 to the Relocation Agreement was executed for issues related to the construction of the Groundwater Transmission Main (GWTM) Phase 1 pipeline. Staff is recommending execution of Addendum Number 2 to the Relocation Agreement for the design and construction of the Honby Temporary Bypass Pipeline and payment to NLF to fulfill the Agency's obligations set forth in Addendum Number 2 to the Relocation Agreement.

DISCUSSION

In order to accommodate a new residential development named "Riverpark" (since renamed "River Village") NLF relocated the existing 33" Honby Pipeline to a location that would not interfere with the proposed development. At the same time, the Agency increased the size of the existing Honby Pipeline from 33" diameter to 60" diameter to meet increasing water demands in the eastern part of the service area.

The Relocation Agreement between the Agency and NLF specified terms and conditions for both parties related to the relocation of the existing Honby Pipeline and associated right of way and easements. Under the terms of the Relocation Agreement, NLF relocated the existing Honby Pipeline, including upsizing the pipe diameter from 33" to 60", and granted easements to the Agency for the relocated Honby Pipeline Phase 1. NLF's contractor performed the construction and the Agency performed construction inspection. In return, the Agency paid the incremental cost of upsizing the pipe to 60" diameter, granted new easements to NLF for Newhall Ranch Road (NRR) and quitclaimed the existing Honby Pipeline easements to NLF.

During the ongoing development of River Village and the design and construction of NRR, both NLF and the Agency determined it would be beneficial to install the GWTM Phase 1 pipeline in the future NRR prior to final road grading and paving activities. In August 2006, Addendum Number 1 to the Relocation Agreement was executed between the Agency and NLF. Under Addendum Number 1, NLF constructed the GWTM Phase 1 pipeline, the Agency reimbursed NLF for the construction costs, and NLF granted the Agency an easement in NRR for the GWTM Phase 1 pipeline.

In late 2007 and early 2008, the 36" Honby Temporary Bypass pipeline was constructed to accommodate the construction of the Golden Valley Bridge and maintain water delivery to the eastern portion of the Agency's service area. The Agency's consultant prepared the design documents, NLF's

contractor performed the construction and Agency staff performed construction inspection. When the Honby Phase 2 pipeline is constructed the Honby Temporary Bypass pipeline will be converted to recycled water use or kept as a backup potable water pipeline in case of emergency. The California Department of Fish and Wildlife and the Army Corps of Engineers granted approval for the Honby Temporary Bypass Pipeline to be permanently located across the Santa Clara River in June 2016 and August 2016, respectively.

Both the Agency and NLF have incurred costs associated with the implementation of the terms of the proposed Addendum Number 2 as shown in the attached Exhibit A. Due to the permanent nature of the bypass line and the mutual benefit to both parties, staff recommends that the total cost of the Honby Temporary Bypass Pipeline be equally shared between the Agency and NLF. The Agency would owe NLF \$393,904.58 to fulfill its obligations.

On April 4, 2017, the Planning and Engineering Committee considered staff's recommendation to authorize the General Manager to execute Addendum Number 2 to the Honby Pipeline Relocation Agreement and approve payment to NLF.

FINANCIAL CONSIDERATIONS

Funds for the payment of \$393,904.58 to NLF are included in the Agency's FY 2016/17 Major Capital Project Budget as part of the Honby Parallel Project and there are adequate funds remaining for the work. The approved FY 2016/17 project budget for the Honby Parallel Project is \$627,000. As of January 31, 2017, total project expenditures are \$2,095,792.

RECOMMENDATION

The Planning and Engineering Committee recommends that the Board of Directors authorize the General Manager to execute Addendum Number 2 to the Honby Pipeline Phase 1 Relocation Agreement and approve payment to Newhall Land and Farming in the amount of \$393,904.58.

Attachment

BJF



EXHIBIT "A"
Addendum #2 - Relocation Agreement, Honby Pipeline Phase 1

RIVER VILLAGE, TRACT 53245

February 24, 2017

Item #	Name	Description	Reimbursable Item	NLF Reimbursement to CLWA	CLWA Reimbursement to NLF	Notes
1	Bypass Pipeline	CLWA Design/Engr-Construction Plans	Design Cost	\$23,995.11	\$0.00	Total cost of \$47,990.22 to be shared equally between CLWA & NLF
1	Bypass Pipeline	CLWA Field Inspection	Inspection Cost	\$573.14	\$0.00	Total cost of \$1,146.27 to be shared equally between CLWA & NLF
1	Bypass Pipeline	Construction	Construction Cost	\$0.00	\$418,472.82	Total cost of \$836,945.64 to be shared equally between CLWA & NLF
			Sub-Total	\$24,568.25	\$418,472.82	
			Net Reimbursable	\$393,904.58		Total Reimbursement Due