

**LAS VIRGENES – TRIUNFO  
JOINT POWERS AUTHORITY  
MINUTES  
REGULAR MEETING**

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5:00 PM

May 7, 2018

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Michael Paule.

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at **5:00 p.m.** by Vice Chair Paule in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road in Calabasas, California. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Caspary, Lewitt, Orkney, Pan, Paule, Polan, Renger, and Wall.

Absent: Directors Peterson and Tjulander

**2. APPROVAL OF AGENDA**

Director Caspary moved to approve the agenda. Motion seconded by Director Orkney. Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Polan, Renger, Wall

NOES: None

ABSTAIN: None

ABSENT: Peterson, Tjulander

**3. PUBLIC COMMENTS**

None.

**4. CONSENT CALENDAR**

**A Minutes: Regular Meeting of April 2, 2018 and Special Meeting of April 17, 2018**

Director Polan moved to approve the Consent Calendar. Motion seconded by Director Wall. Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Polan, Renger, Wall

NOES: None

ABSTAIN: None

ABSENT: Peterson, Tjulander

**5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

**A Pure Water Project Las Virgenes-Triunfo: Update**

Administering Agent/General Manager David Pedersen reported that a workshop was held with an independent advisory panel for the Pure Water Project on May 4, 2018. He stated that the independent advisory panel consisted of a group of experts with backgrounds in different areas of water. He also stated that the panel reviewed the model for Las Virgenes Reservoir, evaluated the validity of the model in terms of its capability of simulating how water would mix in the reservoir and ultimately comply with surface water augmentation regulations, and received a presentation on the background, context, and key drivers for the Pure Water Project. He noted that Trussell Technologies provided a presentation regarding the surface water augmentation regulations that were recently adopted by the State Water Resources Control Board, and explained how they developed the 3-D model of Las Virgenes Reservoir, the bathymetry, and the computer analysis in simulating how water would move through the reservoir under different conditions. He also noted that the panel was provided a tour of Las Virgenes Reservoir and the Westlake Filtration Plant. He stated that the panel made a few initial findings and would prepare an expert report to evaluate the validity of the model and share their insight on the project as a whole. He noted that the panel's initial findings were that the project is well founded and that it is the first of its type in the Los Angeles and Ventura County areas. He also reported that staff was working on compiling the feedback from the Pure Water Demonstration Project workshop held on April 17th, and a report would be brought back at the June 4th JPA Board meeting.

Administering Agent/General Manager David Pedersen responded to questions regarding the use of diatomaceous earth as the filtering media at the Westlake Filtration Plant for surface water treatment and the locations of other pure water projects in California, including Pure Water San Diego and the Padre Dam Reservoir Augmentation Project.

**B Financial Review: Third Quarter of Fiscal Year 2017-18**

**Receive and file the financial review for the third quarter of Fiscal Year 2017-18.**

Don Patterson, Director of Finance and Administration, provided a PowerPoint presentation. He responded to a question regarding the timing of capital projects and reduced expenditures due to recycled water sales being less than budgeted, the reserve fund specified for capital projects and operations, and bookkeeping for depreciation of assets on an annual basis for replacement and upgrades.

The report was received and filed.

### **C Preliminary JPA Fiscal Years 2018-20 Two-Year Budget Plan**

Mike Hamilton, Financial Analyst, provided a PowerPoint presentation.

Director Orkney commented that the JPA should reconsider the \$5 million cost of composting and suggested that perhaps it could be less expensive as the construction phase of the Pure Water Project begins.

Don Patterson, Director of Finance and Administration, responded to a question regarding fluctuations in the revenue for wholesale recycled water estimated in Fiscal Year 17-18 and expenditures on tanks, reservoirs, and wells by stating that the costs for reservoir cleaning had not yet been entered in the accounting system.

A discussion ensued regarding budgeting at full employment, including increases to employees' salaries due to inflationary effects and increased costs for retirement benefits.

Administering Agent/General Manager David Pedersen responded to a question regarding the possibility of selling compost material to generate revenues by stating that the primary strategy has been to give away as much of the compost as possible to the community. He noted that there was a change in the source of the amendment, which reduced the cost of producing the compost. Brett Dingman, Water Reclamation Manager, added that one of the main factors is the Organic Materials Registry Index, which defines any sewage-based sludge compost as not organic, affecting the value of the compost from a marketing standpoint.

Administering Agent/General Manager David Pedersen responded to a question regarding reviewing large capital improvement projects with the Board by stating that staff could review capital improvement projects in more detail during the June 4th budget presentation, including the Process Air Improvements Project and Pure Water Project.

## **6. ACTION ITEMS**

### **A Tapia Water Reclamation Facility Summer Season Waste Load Allocation Compliance Study: Selection of Preferred Method**

**Select breakpoint chlorination and discharge of potable water to Malibu Creek as the preferred method to achieve compliance with the summer season waste load allocation for the Tapia Water Reclamation Facility, and authorize staff to finalize the Technical Memorandum for the Tapia Water Reclamation Facility Summer Season Waste Load Allocation Compliance Study.**

Administering Agent/General Manager David Pedersen presented the report.

Zakir Hirani, representing Stantec, provided a PowerPoint presentation. He reviewed Alternative Nos. 1, 2, and 3, and responded to several questions posed by the Board regarding Alternative No. 3 related to pipeline construction, breakpoint chlorination that destroys the chloramine compound, and the need to dechlorinate the water prior to releasing it to the creek by using this process.

Mr. Hirani continued the PowerPoint presentation and reviewed Alternative Nos. 4 and 5. He also reviewed the recommendation for Alternative No. 3 – Breakpoint Chlorination of Potable Water, and stated this alternative would provide the greatest operational and water quality reliability, ease of operation, and is the most cost-effective.

A discussion ensued regarding concerns with the term “breakpoint chlorination” and potentially replacing the terminology with “nitrogen oxidation process” or “nitrogen removal process.”

Mr. Hirani reviewed the next steps for preliminary design development, CEQA analysis, breakpoint chlorination bench-scale testing, project scheduling, and deliverables. He responded to a question regarding whether the potential concerns with the bridge crossing at Malibu Creek would be addressed in the CEQA analysis by stating that it would be addressed. He also responded to a question regarding the seasonal treatment process and impacts from starting and stopping operations.

Administering Agent/General Manager David Pedersen responded to a question regarding negative implications should the JPA not move forward with achieving the flow augmentation requirement for Malibu Creek by stating that it was potentially beneficial to have flow augmentation criteria established for Malibu Creek. He stated that one of the biggest challenges is the lack of clarity on the flow regime that is needed for public trust resources and environmental flows when looking at potable reuse projects in other areas. He noted that the two issues include downstream users who claim a right to the water and the amount of water needed downstream for environmental purposes. He stated that the JPA is fortunate to have gone through a process whereby that number has been determined, there is some element of consistency, and the JPA has criteria established moving forward. He also stated that if this issue comes up during development of the Pure Water Project, the JPA could indicate that it has had a long-standing process to augment creek flows and it trims the creek up to the

amount that was based on a study conducted by the National Oceanic and Atmospheric Administration and the National Marine Fisheries. Keith Lemieux, Authority Counsel, added that the advantage is that the JPA has crystalized the amount of water being contributed to the fish, and when it comes time in the future to deal with concerns regarding downstream uses, the JPA could indicate that it has already been through that process and it has been extensively studied.

Director Lewitt noted that many people are not aware that the JPA is taking drinking water from snowmelt and putting it in the creek because the JPA is mandated to do so. He suggested explaining this to the public in regular terms instead of in water language. Administering Agent/General Manager David Pedersen stated that staff could provide additional information to the public regarding flow augmentation requirements, the benefits, and the cost.

Director Renger inquired whether water could be pumped from the wells in Westlake, put into the lake, and allowed to overflow down the stream to increase the flow. Administering Agent/General Manager David Pedersen responded that although this could be possible, it is a long path from Westlake to the gauging station and there are sections in Triunfo Creek that run dry during certain times of the year. He noted that the ground is porous, and putting water into Westlake Lake could cause it to spill and infiltrate during the water's journey to the gauging station.

Director Orkney moved to approve Item 6A using the term nitrogen removal or nitrogen oxidation process instead of breakpoint chlorination. Motion seconded by Director Pan. Motion carried by the following roll call vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Renger, Wall

NOES: Polan

ABSTAIN: None

ABSENT: Peterson, Tjulander

**B      Tapia Water Reclamation Facility Fiscal Year 2017-18 Rehabilitation Project: CEQA Determination and Call for Buds**

**Find that the work is exempt from the California Environmental Quality Act and approve the issuance of a Call for bids for the Tapia Water Reclamation Facility Fiscal Year 2017-18 Rehabilitation Project.**

Administering Agent/General Manager David Pedersen presented the report.

Director Polan moved to approve Item 6B. Motion seconded by Director Renger.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Polan, Renger, Wall

NOES: None

ABSTAIN: None  
ABSENT: Peterson, Tjulander

**C Rancho Amendment Bid and Conveyance Modifications Project: Call for Bids**

**Find that the proposed amendment bin and conveyance equipment should be designated by specific trade name to match the existing equipment and authorize a Call for Bids for the Rancho Amendment Bind and Conveyance Modification Project.**

Administering Agent/General Manager David Pedersen presented the report.

Director Lewitt moved to approve Item 6C. Motion seconded by Director Orkney.

Oliver Slosser, representing Stantec, responded to a question regarding whether there would be a shaker on the bin by stating that there would be two live screws to keep amendment moving. He noted that the drop off location of the amendment within the bin would be farther back so that there would be no bridging issues that are currently occurring.

Administering Agent/General Manager David Pedersen responded to a question regarding the cost for hauling dewatered cake while the composting and cure process is temporarily shut down by stating that it would be less expensive to haul the cake temporarily. He noted that the process would be shut down for a short period of time. He also responded to a question regarding the selection of the contractor by stating that the JPA would need to be discerning in selecting the contractor, follow the Public Contract Code, and focus on other issues including reference checks, license checks, and a background check of the contractor.

Motion carried by the following vote:

AYES: Caspary, Lewitt, Orkney, Pan, Paule, Polan, Renger, Wall

NOES: None

ABSTAIN: None

ABSENT: Peterson, Tjulander

**7. BOARD COMMENTS**

Director Orkney expressed concern with the purple color used in the Pure Water Project logo because it symbolizes recycled water. She requested a future agenda item to discuss the logo using different shades of blue.

**8. ADMINISTERING AGENT/GENERAL MANAGER REPORT**

Administering Agent/General Manager David Pedersen provided an update regarding SB 1489 (Stern), California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018: Water Recycling. He stated that Senator Stern introduced the legislation to assist the JPA with a challenge related to Proposition 68, which is on the June 5th ballot. He explained that the challenge was that funds included in Proposition 68 for recycled water projects are channeled through an existing State Water Resources Control Board program that includes a legacy restriction that prevents the funds from being used for surface water augmentation projects. He noted that the bill was scheduled for hearing before the Senate Natural Resources and Water Committee on April 24th; however, Committee Chair Hertzberg pulled the item from the agenda due to a concern that the proposal was not constitutional. He stated that staff did not have an opportunity to meet with Senator Hertzberg to express staff's opinion and legal position. He also stated that Senator Hertzberg did not realize there was a tight timeframe and that missing the committee meeting and hearing prevented the JPA from having this bill approved into law in time for the June ballot. He noted that for this legislative proposal to be effective it needed to be approved and signed by the Governor prior to June 5th Primary Election, and it needed to be current law before the voters considered Proposition 68. He stated that staff attempted to find a legislative vehicle in a Senate Bill that was already in the Assembly where it could be amended; however, none were feasible. He also stated that based on Senator Hertzberg's concerns perhaps the JPA could pursue this as a voter initiative. He also reported that staff and the JPA's lobbyist, Syrus Devers, would be pursuing Proposition 1 funds for the Pure Water Project.

**9. FUTURE AGENDA ITEMS**

None.

**10. INFORMATION ITEMS**

**A Tapia and Rancho Operations and Maintenance Project List: Completion**

**B Tapia Water Reclamation Facility Chloride Study: Investigation Report**

**11. PUBLIC COMMENTS**

None.

**12. CLOSED SESSION**

**A Conference with Legal Counsel – Pending Litigation (Government Code Section 54956.9(d)(1)):**

**Zusser Construction, Inc., v. Las Virgenes Municipal Water District**

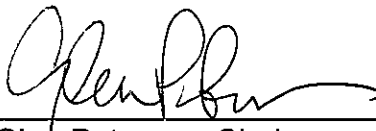
The Board recessed to Closed Session at 7:08 p.m., and reconvened to Open Session at 7:22 p.m.

Authority Counsel Keith Lemieux announced there was no reportable action.

**13. ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at 7:22 p.m.





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Glen Peterson, Chair

ATTEST:



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Michael Paule, Vice Chair

