

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

5:00 PM

September 3, 2024

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by Craig Jones.

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at **5:00 p.m.** by Chair Jay Lewitt in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas, CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Burns, Caspary, Coradeschi, Jarecky, Lewitt, Nye, Polan, Tjulander and Wall

Absent: Director Shapiro

2. APPROVAL OF AGENDA

Administering Agent/General Manager stated that the recommendation for Item 4B should be to authorize the transmittal of Third Amendment to the Joint Exercise of Powers Agreement to the Las Virgenes Municipal Water District and Triunfo Water & Sanitation District Boards, authorizing the Las Virgenes-Triunfo Joint Powers Authority to enter into financing agreements with the Las Virgenes-Triunfo Public Financing Authority

Director Polan moved to approve the agenda as amended with the modification to the recommendation for Item 4B as stated. Motion seconded by Director Tjulander. Motion carried 9-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Jarecky, Lewitt, Nye, Polan, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: Shapiro

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

A Minutes: Regular Meeting of August 5, 2024, and Special Meeting of August 8, 2024: Approve

B Third Amendment to Joint Exercise of Powers Agreement

Authorize the transmittal of Third Amendment to the Joint Exercise of Powers Agreement to the LVMWD and TWSD Boards, authorizing the Las Virgenes-Triunfo Joint Powers Authority to enter into financing agreements with the Las Virgenes-Triunfo Public Financing Authority.

C Malibou Lake Siphon Replacement Project: Approval of Contract Amendments

Authorize the Administering Agent/General Manager to execute a first amendment to the professional services agreement with Padre Associates, Inc., in the amount of \$42,120, for additional environmental compliance monitoring during construction; and to execute a first amendment to the professional services agreement with Cannon Corporation, in the amount of \$93,120, for additional construction management and inspection services during construction of the Malibou Lake Siphon Replacement Project.

D Rancho Las Virgenes Composting Facility: Biofilter Media Replacement

Authorize the Administering Agent/General Manager to execute a contract to North Hills Recycling, Inc., in the amount of \$149,200, for biofilter media replacement at the Rancho Las Virgenes Composting Facility.

Director Coradeschi moved to approve the Consent Calendar. Motion seconded by Director Caspary. Motion carried 9-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Jarecky, Lewitt, Nye, Polan, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: Shapiro

5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A State and Federal Legislative Update

Ana Schwab, federal lobbyist for the JPA with Best Best & Krieger LLP (BBK), accompanied by Lowry Crook and Chris Keosian, reported that Congress would

return to session the following week; however, it was unlikely that appropriations bills would pass by the September 30th deadline. She stated that it was likely that a continuing resolution would be adopted to fund the federal government through March 2025. She also reported that BBK would continue to monitor U. S. Bureau of Reclamation Title XVI and Water Infrastructure Finance and Innovation Act (WIFIA) funding and additional riders that might be added to appropriations to ensure the adequate funding needed to advance the Pure Water Project Las Virgenes-Triunfo. She also reported that Congress had advanced other bills, such as the Water Resources Development Act (WRDA), which would advance the Army Corps of Engineers work plan for the next term. She noted that Congress also needed to pass the Farm Bill , which includes funding for wildfire management and response provisions. She also noted that Congress would need to make a decision regarding the debt ceiling, which expires on January 1, 2025.

Syrus Devers, state lobbyist for the JPA with Syrus Devers Advocacy LLC, reported that AB 1390 (Caballero), Groundwater Recharge Flood Flows Divisions, did not move forward for Governor Gavin Newsom's signature. He noted that this bill would have codified the practice of diverting flood flows into storage. He stated that he would provide a bill summary report in October. He responded to a question regarding the status of SB 1255 (Durazo), Public Water Systems Needs Analysis, by stating that this bill was held in suspense and would not move forward.

B Pure Water Project Las Virgenes-Triunfo: Update

Oliver Slosser, Engineering Program Manager, presented the report. He responded to questions regarding meetings held with the City of Agoura Hills, the mitigation plan for the removal of oak trees, the timing for the Water Rights Order for the Wastewater Change Petition, and the cap placed on Title XVI funding.

Ana Schwab, federal lobbyist for the JPA with Best Best & Krieger LLP (BBK), responded to questions regarding seeking Congresswoman Julia Brownley's assistance in obtaining additional Title XVI grants and pursuing additional grant funding opportunities.

A discussion ensued regarding the proposed bicycle repair station at the Advanced Water Purification Facility public benefit area, entering into a license agreement with the City of Agoura Hills for the bicycle area, and ensuring that the JPA does not lose control of any JPA-owned property.

C Pure Water Project Las Virgenes-Triunfo: Funding and Financing Update

Don Patterson, Director of Finance and Administration, provided introductory remarks.

Oliver Slosser, Engineering Program Manager, provided a PowerPoint

presentation and reviewed the JPA funding objectives; Pure Water Project Las Virgenes-Triunfo design elements with cost impacts; progression of cost estimate since 2022; and cost summary breakdown. He responded to questions regarding the change order for the updated costs for pipelines, cost increases for materials due to market conditions, and cost escalation estimates from 2022 to present.

Mr. Slosser continued the PowerPoint presentation and reviewed considerations related to identifying cost savings and value engineering; development of guaranteed maximum price; and development of an early work package for the Reverse Osmosis Pipeline.

A discussion ensued regarding construction cost increases; soft cost and escalation; identifying cost savings and value engineering; estimated construction start date; the 2028 goal for construction completion; the use of granular activated carbon for water treatment and the need for a legislative fix to use this product; the use of hypolimnetic oxygenation systems which would require a regulatory change to operate the reservoir in general; and algae growth mitigation.

Darren Hodge, Managing Director of PFM, continued the PowerPoint presentation including funding update; cost estimates overview; projected funding sources and control points; and financing plan. He responded to questions regarding the State Revolving Fund (SRF) and Water Infrastructure Finance Innovation Act (WIFIA) financing and repayment, and expending pay-go funds.

Mr. Hodge continued the PowerPoint presentation and reviewed the WIFIA Program and the State Water Resources Control Board's California Clean Water SRF Program.

Brian Richie, Finance Manager, continued the PowerPoint presentation and reviewed user fee and rate impacts, including change in LVMWD cost and funding assumptions, and results summary for LVMWD future combined bills from 2025 to 2035.

Chair Lewitt asked for a comparison of efficient customer water usage compared to inefficient/wasteful customer water usage.

Mr. Richie responded to a question regarding impacts from decreased water sales by stating that LVMWD experienced higher revenue during drought conditions compared to rainy seasons. Mr. Patterson added that impacts from decreased water sales and budget-based rates were specific to LVMWD.

Vickie Dragan, TWSD Director of Finance, continued the PowerPoint presentation and reviewed TWSD Cost and Funding Assumptions and results summary for TWSD future combined bills from 2025 to 2035.

Mr. Patterson reviewed next steps, including Finance staff from both agencies

would continue to work closely and move forward with funding and financing strategies; close the WIFIA and SRF loans; pursue additional grant funding; mitigate and control costs; seek cost savings through regulatory relief; and complete the rate study to determine rate impacts.

6. **ACTION ITEMS**

A Salinity Management Pipeline Discharge Service Connection with Calleguas Municipal Water District: Agreement

Authorize the Administering Agent/General Manager to execute an Agreement for Construction and Use of Salinity Management Pipeline Discharge Service Connection with Calleguas Municipal Water District for the Pure Water Project Las Virgenes-Triunfo.

Oliver Slosser, Engineering Program Manager, presented the report.

Director Caspary moved to approve Item 6A. Motion seconded by Director Coradeschi.

Mr. Slosser responded to questions regarding Calleguas Municipal Water District (Calleguas) prohibiting stormwater discharge to or through the salinity management pipeline by stating that he believed this referred to direct discharge of surface or stormwater if brine was created from this discharge, and any water processed through the Advanced Water Purification Facility would need to comply with National Pollution Discharge Elimination System (NPDES) regulations. He also responded to a question regarding whether any other customers were currently using the salinity management pipeline by stating that Calleguas currently had customers using the first two stages of the pipeline, and the Advanced Water Purification Facility would be the farthest from the ocean outfall with the extension. He also responded to questions regarding the cost for the discharge structure, which is included in the JPA Fiscal Year 2024-25 budget, and scaling and pipeline maintenance.

Motion carried 9-0 by the following vote:

AYES: Burns, Caspary, Coradeschi, Jarecky, Lewitt, Nye, Polan, Tjulander, Wall

NOES: None

ABSTAIN: None

ABSENT: Shapiro

7. **BOARD COMMENTS**

Director Burns commented that the SRF loan would come due in 2054 when he would be 102 years old.

8. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager David Pedersen noted that a copy of a letter from the Los Angeles County Medical Association (LACMA) was provided to the Board supporting the development and implementation of the Pure Water Project Las Virgenes-Triunfo. He stated that staff were working on obtaining a similar letter from the County of Ventura Medical Association. He reported that the flow in Malibu Creek measured 4.39 cubic feet per second (CFS), and there was no need for fish flow augmentation at this time. He also reported that the Rancho Las Virgenes Composting Facility was not currently producing new compost due to the Supervisory Control and Data Acquisition (SCADA) transition and the replacement of the key conveyor. He stated that work should be completed by mid-September, and there were currently 50 cubic yards of compost available for giveaway. He also reported that work on the hot water loop was underway with the installation of fiberglass insulation for the pipe at a cost of approximately \$450,000.

Chair Lewitt suggested displaying a framed copy of the letter from LACMA at the Pure Water Demonstration Facility.

9. FUTURE AGENDA ITEMS

None.

10. PUBLIC COMMENTS

None.

11. ADJOURNMENT

Seeing no further business to come before the Board, the meeting was duly adjourned at 7:11 p.m.



Jay Lewitt, Chair

ATTEST:



James Wall, Vice Chair