

MINUTES  
SPECIAL MEETING OF THE  
BOARD OF DIRECTORS  
LAS VIRGENES MUNICIPAL WATER DISTRICT

September 4, 2012

1. The Board of Directors of Las Virgenes Municipal Water District met in Special Meeting at 899 North Kanan Road, in Oak Park, California, at 4:30 PM on Tuesday, September 4, 2012.

President Renger called the meeting to order at 4:33 PM.

At the request of President Renger, Director Steinhardt led the Pledge of Allegiance to the Flag.

Assistant Deputy Secretary Conklin called the roll. Those answering present were Directors Bowman, Caspary, Peterson, Renger and Steinhardt. The Chair declared a quorum present.

Triunfo Sanitation District held a concurrent Special Meeting with their Board of Directors. Triunfo District Manager, Mark Norris called the roll. Those answering present were Directors McReynolds, Orkney, Paule and Wall. Absent: Iceland.

2. Discuss Potential Consolidation of Triunfo Sanitation District with Las Virgenes Municipal Water District: Triunfo Directors Paule and McReynolds gave a presentation entitled "LV and TSD Consolidation". Triunfo Chair, Janna Orkney stated a sub-committee consisting of Directors Paule and McReynolds had prepared and would be giving a presentation on consolidation.


Triunfo Directors, Mike Paule and Mike McReynolds provided a historical overview from 2007 of the Ventura County Grand Jury Report and Local Agency Formation Commission, which encourage agencies to consider consolidation (Triunfo legal counsel and LAFCO agreed there was not an issue with forming a multi-county agency within Ventura/Los Angeles) and previous 2007 discussions with Las Virgenes, during which it was decided not to move forward with the process; both agencies have experienced significant changes and need to consider consolidation to minimize long-term costs to ratepayers; potential benefits to ratepayers (cost savings in operations, administration, operations and maintenance, facilities and elimination of the Joint Powers Authority resulting in administrative cost savings (Las Virgenes has staff and Triunfo does not as they contract for services; two board and two sets of staff – is there a benefit to ratepayers of having one agency); issues to consider (is there an overall advantage or disadvantage to the customers of both agencies), potential fatal flaws of consolidation; and next steps (obtain Las Virgenes Board comments and commission an independent study for each agency to include governance, etc.).

Las Virgenes Board comments and Triunfo Board responses included: Director Steinhardt stated there are a lot of unanswered questions, which were asked many years ago and with another Board, and Las Virgenes never received answers; has done some investigation into consolidation, feels there is a lot of synergy and we should move forward with a review of consolidation; if Las Virgenes took Triunfo over, consider a zone charge for Triunfo only, therefore the money would come from that area; feels Las Virgenes staff could take over process without a lot of extra added effort and eliminate the joint meetings; feels Triunfo customers would be better served due to proximity to Oak Park (Las Virgenes headquarters versus Ventura County); and again would like to see consolidation discussions move forward. Directors Renger and Bowman stated answers were never received in response to questions posed in 2007 (Director Paule stated the 2007 questions were good ones, the JPA Board was comprised of different members in 2007 than now, a Triunfo committee looked at consolidation, but in order to get the questions answered there needs to be an independent study conducted). Director Renger feels the ball got dropped, misspoke recently when he stated Triunfo wants to be taken over, if Triunfo does not want to be taken over what do they want (Director Orkney stated Triunfo does not want to be taken over, but is there a feeling of potential benefit, Las Virgenes has an attitude that Triunfo is lesser of an agency than Las Virgenes is and Director Paule stated this is about ratepayers, ratio of governance, Triunfo has to make

contract service decisions by 2014, is there a savings if the agencies consolidate). **Director Iceland arrived at 4:55 PM.** Director Peterson stated it is a matter of respect from 2007 that questions were not answered, if Triunfo is looking to separate from Calleguas it won't happen as Las Virgenes cannot serve water to Oak Park as there are no facilities (Director Paule stated Triunfo has talked to Calleguas and it is not known for a fact that Las Virgenes cannot supply water to Oak Park); emergency water can be provided, but not permanent. Director Caspary stated there are stumbling blocks involved with consolidation that needs to be addressed as part of a study prior to moving forward.

One speaker card was received from the public: (1) Hal Helsley stated he has a strong concern about how to go about separating potable water and wastewater; believes there is potential for savings in relation to wastewater; does not feel there is a legal leg to stand on in regards to the potable water service side, how are the two separated; and hasn't heard recycled water being discussed.

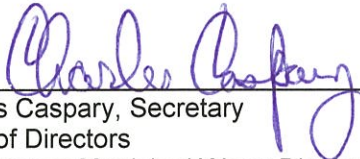
3. Adjournment: The Chair declared the Special Meeting – Discuss Potential Consolidation of Triunfo Sanitation District with Las Virgenes Municipal Water District adjourned at 5:06 PM.



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Lee Renger, President  
Board of Directors  
Las Virgenes Municipal Water District

ATTEST:



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Charles Caspary, Secretary  
Board of Directors  
Las Virgenes Municipal Water District

(SEAL)