



**Las Virgenes – Triunfo Joint Powers Authority**  
4232 Las Virgenes Road, Calabasas, CA 91302  
818.251.2100



July 31, 2013

Call and Notice of Special Meeting of the Governing Board of the  
Las Virgenes – Triunfo Joint Powers Authority

A Special Meeting of the Governing Board of the Joint Powers Authority is hereby called, and notice of said Special Meeting is hereby given for 5:00 p.m. on Monday, August 5, 2013 at **Rancho Las Virgenes Composting Facility, 3700 Las Virgenes Road, Calabasas, California 91302** to consider the following:

1. **Call to Order and Roll Call**
2. **Special Board Meeting (See attached agenda)**
3. **Adjournment**

By Order of the Board of Directors  
MICHAEL McREYNOLDS, Chair

A handwritten signature in cursive script that reads "David W. Pedersen".

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David W. Pedersen, P.E.  
Administering Agent General Manager  
Joint Powers Authority

c: Each Director

**Michael McReynolds**  
Chair, Las Virgenes-Triunfo  
Joint Powers Authority  
Chair, Triunfo Sanitation District  
Board of Directors

**Charles Caspary**  
Vice Chair, Las Virgenes-Triunfo  
Joint Powers Authority  
President, Las Virgenes Municipal Water District  
Board of Directors

**LAS VIRGENES - TRIUNFO  
JOINT POWERS AUTHORITY  
AGENDA**

CLOSING TIME FOR AGENDA IS 8:30 A.M. ON THE TUESDAY PRECEDING THE MEETING. GOVERNMENT CODE SECTION 54954.2 PROHIBITS TAKING ACTION ON ITEMS NOT ON POSTED AGENDA UNLESS AN EMERGENCY, AS DEFINED IN GOVERNMENT CODE SECTION 54956.5 EXISTS OR UNLESS OTHER REQUIREMENTS OF GOVERNMENT CODE SECTION 54954.2(B) ARE MET.

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5:00 PM

August 5, 2013

PLEDGE OF ALLEGIANCE

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

- A** The meeting was called to order at \_\_\_\_\_ p.m. by \_\_\_\_\_ in the Rancho Las Virgenes Composting Facility Lunchroom and the Clerk of the Board called the roll.

<u>Triunfo Sanitation District</u>	<u>Present</u>	<u>Left</u>	<u>Absent</u>
Steven Iceland	_____	_____	_____
Michael McReynolds, Chair	_____	_____	_____
Janna Orkney	_____	_____	_____
Michael Paule	_____	_____	_____
James Wall	_____	_____	_____
<u>Las Virgenes Municipal Water District</u>			
Charles Caspary, Vice Chair	_____	_____	_____
Glen Peterson	_____	_____	_____
Leonard Polan	_____	_____	_____
Lee Renger	_____	_____	_____
Barry Steinhardt	_____	_____	_____

**2. APPROVAL OF AGENDA**

- A** Moved by \_\_\_\_\_, seconded by \_\_\_\_\_, and \_\_\_\_\_, that the agenda for the Special Meeting of August 5, 2013, be approved as presented/amended.

**3. PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

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

- A** **Third Digester Construction Site Tour**

**B Water Quality Permitting Overview**

**C Update on the U.S. EPA TMDL for Sedimentation and Nutrients to Address Benthic Community Impairments**

**5. CONSENT CALENDAR**

**A Minutes: Regular Meeting of July 1, 2013. Approve**

**6. ACTION ITEMS**

**A Odor Control Scrubber Carbon Replacement: Authorization of Purchase Orders**

Waive formal bidding requirements for replacement of granular activated carbon for the odor control scrubbers at the Tapia Water Reclamation Facility and LVMWD's two lift stations; and authorize the Administering Agent/General Manager to issue a purchase order in the amount of \$45,933 to Prominent Systems, Inc., for the work.

**B Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks - Rejection of Bids**

Reject all bids for the Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks Project and direct staff to bring the item back for a call for bids in May 2014.

**C Joint Powers Authority Fourth Quarter Financial Review**

Receive and file.

**7. BOARD COMMENTS**

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

**9. FUTURE AGENDA ITEMS**

**10. INFORMATION ITEMS**

**A Renewal of Aluminum Sulfate Contract**

**11. PUBLIC COMMENTS**

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**12. CLOSED SESSION**

**A Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case**

1. In the opinion of District Counsel, disclosure of the identity of the litigant would be prejudicial to the agency.

**B Conference with District Counsel - Existing Litigation:**

1. Heal the Bay, Inc. v. Lisa P. Jackson

**C Conference with District Counsel - Existing Litigation (Government Code Section**

**54956.9(a):**

1. Las Virgenes Municipal Water District vs. Onsite Power Systems, Inc.

**13. ADJOURNMENT**

**LAS VIRGENES - TRIUNFO  
JOINT POWERS AUTHORITY  
MINUTES**

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5:00 PM

July 1, 2013

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Administering Agent/General Manager Pedersen.

Director McReynolds requested to strike "10. Public Comments" as it was a repeat of "3. Public Comments". (Administering Agent/General Manager Pedersen stated the item was added at the request of a board member for any late arriving public speakers so they may have a second opportunity to speak if they did not make it at the beginning of the meeting).

**1. CALL TO ORDER AND ROLL CALL****A** Call to order and roll call

The meeting was called to order at 5:03 pm by Chair McReynolds in the Oak Park Library. Clerk of the Board, Bodenhamer called the roll. Those answering present were Directors Caspary, Iceland, McReynolds, Orkney, Peterson, Polan, Renger, Steinhardt and Wall. Absent: Director Paule.

**2. APPROVAL OF AGENDA****A** Approval of agenda

Administering Agent/General Manager Pedersen asked to remove items 5A - Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks, 11A - Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case and 11B - Conference with District Counsel - Existing Litigation off of the agenda, (Item 11A & 11B: There is no new information to report; Item 5A: involves cathodic protection for centrate treatment tanks, part of the Tapia treatment process; we are discharging to the creek right now for fish flows; working with the contractor to see if we can maintain bid prices and then staff will come back to the Board for a recommendation again;

A summary of JPA Board questions included: cathodic protection how long was it noticed that it was at zero (Administering Agent/General Manager Pedersen, added that the two tanks have a sacrificial anode system where the anode is consumed completely, the anode corrodes instead of the metal; we don't have significant corrosion problems; it's a preventative maintenance issue, we may not have caught it at the exact right time but we did get it).

*On a motion by Director Lee Renger, seconded by Director Steven Iceland, the Board of Directors voted 9-0 -1 to Approve the JPA Regular Board Meeting agenda of July 1, 2013, as amended by the recommendations of Administering Agent/General Manager Pedersen.*

ITEM 5A

*AYES: Director(s) Caspary , Iceland , McReynolds , Orkney , Peterson , Polan , Renger , Steinhardt , Wall*

*ABSENT: Director(s) Paule*

### 3. **PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

One speaker card was received from the public.

(1) Keli Kaye who stated she was from Oak Park and wanted to speak on the proposed recycled water contract to supply Woodland Hills Country Club (WHCC); she went back to the Feb 2011 information found on the website, concerned about water supply regarding business units and cost, concerned about being squeezed out of the supply, did not know where her water came from, so she started attending the TSD meetings, JPA meetings and then the LV meetings, referred to the presentation by Director of Facilities & Operations, David Lippman regarding the recycled water contract who said if we have to supplement recycled water with potable water, we would charge the customers, finds that a very easy statement, but does not see any number crunching or explanation on how to determine who will pay what, her goal is to make sure people who are currently using recycled water get equitable treatment in this contract as contracts can go 25-50 years and they have to be very careful as there is a 21 acre feet (AF) shortfall in recycled water (an estimate). What was pulled from the 2011 Department of Water and Power (DWP) 2008 strategy, looking at the AF already funded in their Capital Plan; The 2013, 19,350 AF and going to 2015, they are going to 50K AF so her usage can get squeezed by this huge demand and she wants to make sure we are careful with the people who have been on board quite a while already. If charging those responsible for causing a supplement, evaluate usage rather than spikes, there needs to be information on how to determine supplement, use of fixed number, which we don't have, she is tossing out ideas because of Owens Valley, San Luis and Colorado history. If we want to charge people who are causing a supplement, for example, if her HOA was to cause a supplement, if we were evaluating the usage rather than a spike in the month or quarter, but again we don't have information on how we are going to determine the supplement, having fixed numbers, we don't have that information today but if you put in a percentage, we are somehow expected and it could be any number, but she was just tossing out some ideas, because of history, she reminded everyone of the battles in Owens Valley, San Luis Valley and Colorado. People are fighting for their access to water and she wants to make sure TSD/Oak Park doesn't get squeezed out, if we were in court, she's not sure how the law would stand for an individually metered, non contracted customer when it comes to first in time, first in right, you have a contracted wholesale customer like the City of Los Angeles or Department of Water and Power and then you have the little guys who have been in place for several years. Director Caspary previously said the TSD/Oak Park customers might want an off ramp but she thinks we have to manage it really carefully.

A summary of JPA Board comments included: corrected her statement regarding TSD's percentage share of reclaimed water; question was posed if TSD's reclaimed meters were set up with Advanced Metering Infrastructure (AMI). If they were, it would make it very easy to determine who was using water that requires supplements (Lippman: retail meters in the Las Virgenes service area are set up with AMI) when he talked at the presentation about Woodland Hills in regards to whoever causes the supplement, pays for the supplement, he stated he should have clarified himself); we are only talking about 2 customers, TSD and LV; individual, retail customers, the supplement

ITEM 5A

should be transparent to them and it is; if Las Virgenes uses more water then they pay the supplement.

Ms. Kaye requested the JPA Board hold a workshop in order to learn and understand it more.

#### 4. **CONSENT CALENDAR**

**A** Minutes: Regular Meeting of June 3, 2013. **Approve**

*On a motion by Director Charles Caspary, seconded by Director Steven Iceland, the Board of Directors voted 9-0 -1 to Approve the recommendation as presented.*

*AYES: Director(s) Caspary , Iceland , McReynolds , Orkney , Peterson , Polan , Renger , Steinhardt , Wall*

*ABSENT: Director(s) Paule*

#### 5. **ACTION ITEMS**

**A** Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks - Construction Award

Waive formal bidding requirements for the Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks Project due to the maintenance nature of the work; authorize the General Manager to issue a purchase order to American Construction and Supply, Inc. in the amount of \$95,385 for construction of the project; accept a proposal from HDR, Inc. to provide professional engineering services during construction in the amount of \$18,205; and appropriate \$10,000 for the construction and engineering services for the project.

No action was taken on this item as it was pulled from the agenda.

#### 6. **BOARD COMMENTS**

Director Orkney: stated it is easy to read the paper about fracking of petroleum sources, what keeps coming up is the Monterey Shale or Monterey Foundation and a little light bulb goes on and it has far more reaching consequences other than our watershed.

Director Iceland: stated he was at a political fundraiser this weekend and Congresswoman Julie Brownley discussed TMDL with regards to EPA, she did not seem to be aware of what was going on, she is a strong supporter of Heal the Bay, he said Director Peterson met with her personally, and requested keeping Congresswoman Julie Brownley in the loop.

Director Caspary: asked if the EPA is going to publish on July 2nd (Administering Agent/General Manager Pedersen said he suspects that they will; he hasn't seen an extension yet; they have had 2 extensions; each time they came up with an extension before the time, he believes they will sign on the line.)

#### 7. **ADMINISTERING AGENT/GENERAL MANAGER REPORT**

**A** Administering Agent/General Manager Report (1) General Business; (2) Follow Up Items

Administering Agent/General Manager Pedersen provided an update on general business of the JPA including:

(1) TMDL fish flow, we have previously discharged to the creek for a period of days, this time we have been discharging to the creek since June 14, 2013, this is being triggered by the Endangered Species Act, Federal Agency Fish and Wildlife requires when the creek flow drops

below 2.5 CFS that we supplement, we discharged (about 300 gallons per minute, since June 14th, we have supplemented about 6.1MG to the creek, the creeks flow is fairly low, just shy of 1 CFS, the intent is to bring up the flow to about 2.5 CFS, it demonstrates the dry conditions we are seeing this year).

Director Renger: Is Chumash supplementing the flow what did the fish do Pedersen: someone from UCSB asked that question and we don't really have a good answer, David Lippman will research it). Director Iceland: assuming it will be a totally dry summer does this mean we will be putting off the cathodic protection for 3-5 more months? Pedersen: we will look at it but it is a possibility). Director Polan: is there a temporary solution (David Lippman: we could go for another year on those tanks and not sustain any more damage). Director McReynolds: cautioned this item was taken off of the agenda (no more discussion took place). Director Orkney: the usefulness of the Malibu Creek Watershed Tours was demonstrated at a meeting last Tuesday evening, there was a discussion of organic pest control and the study was about Medea Creek that was done at Oak Park High School and how it would really help the creek, one of the Oak Park members spoke up and said they went on the tour and the water is brackish, we will never know when that information will come in handy. Director Wall: question on discharge to the creek, are we supplementing because of that? (Administering Agent/General Manager Pedersen: we are supplementing but the amount is rather small.) (David Lippman: stated we are supplementing the groundwater and potable water to the recycled water system). Director Polan: he was at the Lagoon Park on Saturday looking at the birds and the algae, he noticed the ocean came across the sand spit at night because he could see where the sand had been washed so the creek gets many inflows, he'd be surprised if it was brackish or is it ocean water?) (Director Renger: commented that it is both brackish and ocean water). General Manager Pedersen: continuing the outreach effort on the TMDL, presentations have been done to the Westlake HOA, Thousand Oaks City Council and the Conejo Valley Chamber of Commerce trying to get the word out.

(2) Item No.1 is a request that we look at using amendment from Agoura Tree Service for compost amendment; we did look into that, but the challenge is the chips are too coarse for our use right now and they are high in moisture content; Items No. 2 and 3 will be brought back to report on the next JPA meeting to go over the permit process on the Federal and State side or regulatory framework (NPDES) permits, statewide permits and general permits, there will be a presentation on that at the August meeting; No. 3 is providing historical perspective on the recycled water system; Item No. 4 is to look into the Local Resources Program (LRP) funds available from Metropolitan to offset some of the costs; Item No. 5 is a continuing item for our discussion for the application of the solar power savings.

## **8. FUTURE AGENDA ITEMS**

None

## **9. INFORMATION ITEMS**

**A** Rancho Las Virgenes Third Digester Construction: Approval of Change Order Nos. 1 and 2

Director Polan: asked if the District has the availability to get Wrap-up Insurance, where an insurance company insures through a master policy instead of each individual contractor providing their own workers comp, it would be more economical, it's becoming more accepted with condominium construction, do you have any idea of viability (Administering Agent/General Manager Pedersen said we could look at it and see if it might be something helpful).

**B** Change in Outside Laboratory Services

ITEM 5A



- C** Rehabilitation of 18-inch REW Pipeline from Tapia State Park to Camp David Gonzales: Change Order Nos. 1 and 2 and Final Acceptance
- D** Supply and Delivery of Ammonium Hydroxide: Award of Bid
- E** Primary Tank Rehabilitation Project: Award of Design Contract

#### **10. PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

No speaker cards were received from the public.

#### **11. CLOSED SESSION**

No closed session was held.

- A** Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case
  - 1. In the opinion of District Counsel, disclosure of the identity of the litigant would be prejudicial to the agency.
- B** Conference with District Counsel - Existing Litigation:
  - 1. Heal the Bay, Inc. v. Lisa P. Jackson

#### **12. ADJOURNMENT**

Chair McReynolds declared the meeting adjourned at 5:30 pm.

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Michael McReynolds, Chair

ATTEST:

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Charles Caspary, Vice Chair

**August 5, 2013 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Facilities & Operations

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**Subject: Odor Control Scrubber Carbon Replacement: Authorization of Purchase Orders**

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**SUMMARY:**

One of the maintenance projects included in the annual budget is for replacement of the granular activated carbon in the odor control scrubbers for the Tapia Water Reclamation Facility (WRF) and LVMWD's two lift stations. This item is to replace a total of approximately 37,200 pounds of granular activated carbon in six odor control scrubbers.

**RECOMMENDATION(S):**

Waive formal bidding requirements for replacement of granular activated carbon for the odor control scrubbers at the Tapia Water Reclamation Facility and LVMWD's two lift stations; and authorize the Administering Agent/General Manager to issue a purchase order in the amount of \$45,933 to Prominent Systems, Inc., for the work.

**FINANCIAL IMPACT:**

The approved JPA Fiscal Year 2013-14 Budget includes funding in the amount of \$62,000 for replacement of granular activated carbon at the Tapia WRF. The approved LVMWD Fiscal Year 2013-14 Budget includes funding in the amount of \$4,000 for the same work at LVMWD's two lift stations, which constitutes an LVMWD-only expense. The JPA will not be charged for carbon replacement for the lift stations.

**DISCUSSION:**

Odor Control Towers at Tapia WRF (JPA Expense):

There are four carbon towers at Tapia's headworks facility and three carbon towers at the primary sedimentation tanks. The towers need to have the carbon replaced regularly to perform properly. During Fiscal Year 2013-14, three primary sedimentation tank carbon towers (6,000 lbs. each) and one headworks carbon tower (18,000 lbs.) were scheduled for carbon replacement. Carbon life expectancy for the primary sedimentation tank carbon towers is approximately one year and for the headworks carbon towers is approximately two years.

Odor Control Scrubbers at Lift Stations (LVMWD-only Expense):

LVMWD owns and operates two small lift stations that each have 600-lb. carbon scrubbers for odor control. The two lift station odor scrubbers also require carbon replacement, which is an LVMWD-only expense and will be charged accordingly. Staff proposes to perform the work in conjunction with the carbon replacement for the Tapia WRF for ease of administration and to achieve economies of scale for the work.

Carbon Replacement Bid Results:

The following four bids were requested with three received for the carbon replacement work:

	Tapia Carbon Towers (JPA)	Lift Station Carbon Scrubbers (LVMWD Only)	<b>Total</b>
Carbon Activated Corporation	\$49,843.00	\$3,745.00	<b>\$53,588</b>
Baker Filtration	\$48,520.00	\$3,614.00	<b>\$52,134</b>
Prominent Systems, Inc.	\$43,001.30	\$2,931.70	<b>\$45,933</b>
Envirosupply	No Bid	No Bid	No Bid

Staff recommends that the work be awarded to the lowest responsive bidder, Prominent Systems, Inc.

Prepared By: Brett Dingman, Water Reclamation Manager

**August 5, 2013 JPA Board Meeting**

TO: Board of Directors

FROM: Facilities & Operations

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**Subject: Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks - Rejection of Bids**

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**SUMMARY:**

On September 25, 2012, the District administratively approved HDR's proposal in the amount of \$23,600 to prepare plans and specifications for replacing the cathodic protection systems for the Rancho centrate treatment and storage tanks. Pre-quotation job walks were conducted on March 5, April 4, and April 10, 2013 in order to obtain three bids for the work. The lowest responsive bid was from American Construction and Supply, Inc., in the amount of \$95,385, which was approximately 4.6% lower than the engineer's estimate of \$100,000.

However, subsequent to receiving bids, it was determined that the work cannot be performed this summer due to the need for the facility to remain fully-operational to support fish flow releases to Malibu Creek. As a result, staff recommends rejection of all bids and proposes to re-issue a call for bids for construction in summer 2014.

**RECOMMENDATION(S):**

Reject all bids for the Construction of Impressed Current Cathodic Protection System for Centrate Treatment and Storage Tanks Project and direct staff to bring the item back for a call for bids in May 2014.

**FINANCIAL IMPACT:**

There is no financial impact associated with this action.

**DISCUSSION:**

Cathodic protection anodes in the two Rancho centrate tanks were found to be completely consumed. In order to continuously provide protection to the tanks, new cathodic protection systems are needed. HDR provided design services for the preparation of the plans and specifications for the project. The project consists of the replacement of two cathodic protection systems including anodes, reference cells, junction boxes, and rectifiers for the tanks. The following quotes were received for the project:

American Construction and Supply, Inc.	\$ 95,385.00	4.6% lower than the estimate
HDR Engineering, Inc.	\$138,100.00	38.1% higher than the estimate
Blois Construction, Inc.	\$246,030.00	146% higher than the estimate

After the quotations were received, staff determined that the work cannot be performed this summer due to the need for the facility to remain fully-operational to support fish flow releases to Malibu Creek. With the drier-than-normal year, fish flows have been required for an extended period of time this summer, a time when normally there are no discharges to the creek. The installation of the cathodic protection system would require taking one centrate tank out of service at a time and, therefore, would result in higher-than-normal nutrient loading at the Tapia Water Reclamation Facility. This higher nutrient loading could lead to exceedences of the District's regulatory standards for nitrogen and phosphorous when conducting fish flow releases.

As a result, staff recommends rejection of all bids and proposes to re-issue a call for bids for construction in

summer 2014. Although the existing anodes for the tanks are fully-depleted, the design engineer for the project confirmed that the temporary delay of the work will not impact the integrity of the tanks because the corrosion process is very slow.

Prepared By: Lindsay Cao, P.E., Associate Engineer

**August 5, 2013 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Finance & Administration

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**Subject: Joint Powers Authority Fourth Quarter Financial Review**

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**SUMMARY:**

This report summarizes the Joint Powers Authority (JPA) financial review as of June 30, 2013. It is a preliminary snapshot of Fiscal Year (FY) 2012-13 that is likely to change as accruals are completed during year-end closing.

A preliminary JPA financial report (copy attached) shows that operating revenues were \$3,277,852, which was \$609,045 (22.8%) more than during FY 2011-12 and \$462,237 (16.4%) more than budget. The increased revenues were primarily due to higher-than-expected sales of wholesale recycled water and an increase in the wholesale recycled rate.

Operating expenses were \$14,940,184, which was \$516,856 (3.6%) more than FY 2011-12 but still under budget by \$623,764 (4.0%). The lower-than-expected operating expenses were largely associated with the reduced cost of wastewater treatment at the Tapia Water Reclamation Facility; this was in part due to the lower-than-expected energy consumption due to the SCE metering and billing issue.

Because operating expenses are well within budget at June 30th, it is very unlikely that year-end accruals will produce an overage.

Capital project expenses at year-end are substantially lower-than-budgeted, primarily due to the timing of expenditures for construction of the Rancho Las Virgenes Composting Facility Third Digester Project. As of June 30th, capital expenditures were \$3,478,278, mostly from the following four projects:

- Tapia Alternative Disinfection Project - \$1,284,806
- Rancho Third Digester Project - \$787,062
- Tapia Influent Force Main Upgrade - \$478,022
- Rancho Ovation Upgrade - \$455,670

Attached is a report entitled "JPA Capital Improvement Project Status, June 30, 2013 Preliminary" showing the projects listed by category as well as the projects completed during the FY.

Based on the preliminary financial results, LVMWD's share of the JPA's net expenses is \$10.5 million and TSD's share is \$4.6 million. These figures are estimates as of June 30th and subject to change upon completion of year-end closing.

**RECOMMENDATION(S):**

Receive and file.

Prepared By: Sandra Hicks, Director of Finance & Administration and Joseph Lillio, Finance Manager

**ATTACHMENTS:**

[Fourth Quarter Financial Review](#)



# Joint Powers Authority Fourth Quarter Financial Review

FY12-13 Year to Date at June 30 - Preliminary

	FY11-12 Actual YTD	FY12-13 Budget YTD	FY12-13 Actual YTD
Net Uses of Fund	\$13,795,385	\$25,759,331	\$15,118,938
LV Share	\$9,429,146	\$17,967,047	\$10,524,568
TSD Share	\$4,366,239	\$7,792,284	\$4,594,370

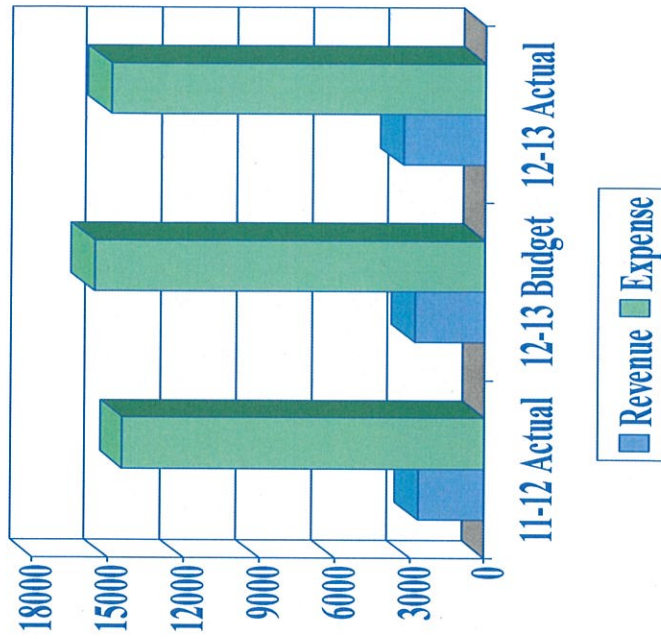


# Joint Powers Authority Operations

## Fourth Quarter - Preliminary

	FY 11-12 Actual	FY 12-13 Budget	FY 12-13 Actual
	YTD	YTD	YTD
<b>Total Operating Revenues</b>	\$ 2,668,807	\$ 2,815,415	\$ 3,277,852
RW Pump Station	1,185,322	1,475,582	1,218,465
RW Tanks & Reservoirs	73,699	115,219	97,068
RW System Operations	34,431	52,830	44,978
RW Distribution	46,764	84,736	90,469
Sewer	287,802	364,819	455,235
Waste Water Treatment	7,207,480	7,781,506	7,236,322
Composting	4,453,470	4,459,340	4,390,526
Injection and Centrate	283,648	256,694	404,443
Administration	850,712	973,222	1,002,678
<b>Total Operating Expenses</b>	14,423,328	15,563,948	14,940,184
<b>Net Operating (Expenses)</b>	\$ (11,754,521)	\$ (12,748,533)	\$ (11,662,332)

(in Thousands)



**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at June 30, 2013**  
**FY 2012-13 Year to Date (Preliminary)**

	<u>FY 11-12 Actual YTD</u>	<u>FY 12-13 Budget YTD</u>	<u>FY 12-13 Actual YTD</u>
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 2,668,807	\$ 2,815,415	\$ 3,277,852
Other Revenues	14,101	32,000	21,672
Total Revenues	<u>2,682,908</u>	<u>2,847,415</u>	<u>3,299,524</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 14,423,328	\$ 15,563,948	\$ 14,940,184
Capital Project Expenses	2,054,965	13,042,798	3,478,278
Total Expenses	<u>16,478,293</u>	<u>28,606,746</u>	<u>18,418,462</u>
<b>Net (Uses) of Funds</b>	<u>\$ (13,795,385)</u>	<u>\$ (25,759,331)</u>	<u>\$ (15,118,938)</u>
<b>Las Virgenes Share</b>	<u>(9,429,146)</u>	<u>(17,967,047)</u>	<u>(10,524,568)</u>
<b>Triunfo Share</b>	<u>(4,366,239)</u>	<u>(7,792,284)</u>	<u>(4,594,370)</u>

**Joint Powers Authority Operations**  
**Quarterly Update - Comparison to Budget & Prior Year at June 30, 2013**  
**FY 2012-13 Year to Date (Preliminary)**

	<u>FY 11-12 Actual YTD</u>	<u>FY 12-13 Budget YTD</u>	<u>FY 12-13 Actual YTD</u>
<b><u>Las Virgenes Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 1,884,178	\$ 1,987,683	\$ 2,314,164
Other Revenues	9,955	22,592	15,300
Total Revenues	<u>1,894,133</u>	<u>2,010,275</u>	<u>2,329,464</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 9,793,440	\$ 10,769,107	\$ 10,398,368
Capital Project Expenses	1,450,805	9,208,215	2,455,664
Total Expenses	<u>11,244,245</u>	<u>19,977,322</u>	<u>12,854,032</u>
<b>Net (Uses) of Funds - LV</b>	<u>\$ (9,350,112)</u>	<u>\$ (17,967,047)</u>	<u>\$ (10,524,568)</u>
<b><u>Triunfo Share:</u></b>			
<b><u>Total Revenues</u></b>			
Operating Revenues	\$ 784,629	\$ 827,732	\$ 963,688
Other Revenues	4,146	9,408	6,372
Total Revenues	<u>788,775</u>	<u>837,140</u>	<u>970,060</u>
<b><u>Total Expenses</u></b>			
Operating Expenses	\$ 4,629,888	\$ 4,794,841	\$ 4,541,816
Capital Project Expenses	604,160	3,834,583	1,022,614
Total Expenses	<u>5,234,048</u>	<u>8,629,424</u>	<u>5,564,430</u>
<b>Net (Uses) of Funds - TSD</b>	<u>\$ (4,445,273)</u>	<u>\$ (7,792,284)</u>	<u>\$ (4,594,370)</u>
<b>Total JPA Net (Uses) of Funds</b>	<u>\$ (13,795,385)</u>	<u>\$ (25,759,331)</u>	<u>\$ (15,118,938)</u>

## Joint Powers Authority Operations

Quarterly Update - Comparison to Budget & Prior Year at June 30, 2013 (Preliminary)

FY 2012-13 Year to Date

	FY 11-12 Actual YTD	FY 12-13 Budget YTD	FY 12-13 Actual YTD
<b>Total Operating Revenues</b>	\$ 2,668,807	\$ 2,815,415	\$ 3,277,852
<b>RW Pump Station</b>	1,185,322	1,475,582	1,218,465
<b>RW Tanks &amp; Reservoirs</b>	73,699	115,219	97,068
<b>RW System Operations</b>	34,431	52,830	44,978
<b>RW Distribution</b>	46,764	84,736	90,469
<b>Sewer</b>	287,802	364,819	455,235
<b>Waste Water Treatment</b>	7,207,480	7,781,506	7,236,322
<b>Composting</b>	4,453,470	4,459,340	4,390,526
<b>Farm Operation</b>	283,648	256,694	404,443
<b>Administration</b>	850,712	973,222	1,002,678
<b>Total Operating Expenses</b>	14,423,328	15,563,948	14,940,184
<b>Net Operating (Expenses)</b>	\$ (11,754,521)	\$ (12,748,533)	\$ (11,662,332)



**Las Virgenes - Triunfo Joint Powers Authority**  
**Capital Improvement Project Status**  
**June 30, 2013 - Preliminary**

Job # - Description	LV %	TSD %	Prior Year Unexpended Appropriations	Current Year Working Capital Requirement	Current Year Expenditures	Contractual Commitments	Project Balance	LV Balance	TSD Balance
<b>Completed Projects</b>									
10257 - Combined Heat & Power (CHIP)	70.6%	29.4%	\$84,577	\$84,577	\$12,077	\$0	\$72,500	\$51,185	\$21,315
10391 - RL.V:Compost Reactor Bldg Ceilg	70.6%	29.4%	\$49,471	\$49,471	\$13,403	\$0	\$36,068	\$25,464	\$10,604
10451 - Tapia Gate & Drive Replacement	70.6%	29.4%	(\$75,769)	\$244,231	\$70,275	\$0	\$173,956	\$122,813	\$51,143
10462 - Tapia: 20/24" Inflnt FrMainUp	70.6%	29.4%	\$230,284	\$265,054	\$478,022	\$3,923	(\$216,891)	(\$153,125)	(\$63,766)
10523 - Rancho LV:Ovation Upgrade	70.6%	29.4%	\$0	\$750,000	\$455,670	\$280,000	\$14,330	\$10,117	\$4,213
<b>Completed Projects</b>			<b>\$288,563</b>	<b>\$1,393,333</b>	<b>\$1,029,447</b>	<b>\$283,923</b>	<b>\$79,963</b>	<b>\$56,454</b>	<b>\$23,509</b>
<b>Projects on Hold</b>									
10387 - Rancho Material Handling Imprv	70.6%	29.4%	\$102,660	\$102,660	\$1,068	\$0	\$101,592	\$71,724	\$29,868
10453 - Tapia/Rancho Vulnerability Ass	70.6%	29.4%	\$50,000	\$50,000	\$0	\$0	\$50,000	\$35,300	\$14,700
10492 - Groundwater Suplmtnt Study-RW	70.6%	29.4%	\$25,000	\$25,000	\$0	\$0	\$25,000	\$17,650	\$7,350
10493 - Tapia: Sludge Screening	70.6%	29.4%	\$385,000	\$385,000	\$0	\$0	\$385,000	\$271,810	\$113,190
<b>Projects on Hold</b>			<b>\$562,660</b>	<b>\$562,660</b>	<b>\$1,068</b>	<b>\$0</b>	<b>\$561,592</b>	<b>\$396,484</b>	<b>\$165,108</b>
<b>Multi-Year Projects</b>									
10418 - Rehab 18" RW Pipe (Tapia/MIhd)	70.6%	29.4%	\$153,452	\$183,452	\$260,435	\$135,958	(\$212,941)	(\$150,336)	(\$62,605)
10446 - Buffer Land at Rancho	70.6%	29.4%	\$250,000	\$250,000	\$0	\$0	\$250,000	\$176,500	\$73,500
10448 - Rancho Polymer Feed System Re	70.6%	29.4%	\$114,064	\$114,064	\$32,038	\$17,365	\$64,661	\$45,651	\$19,010
10457 - Tapia Altrmtv Disinfectn Study	70.6%	29.4%	(\$28,756)	\$1,379,777	\$1,284,806	\$775,229	(\$680,258)	(\$480,262)	(\$199,996)
10487 - Construct 3rd Digester @Rancho	70.6%	29.4%	\$188,969	\$6,565,759	\$787,062	\$5,932,658	(\$153,961)	(\$108,696)	(\$45,264)
10499 - Tapia Grit Cyclone ConveyorSys	70.6%	29.4%	\$75,000	\$150,000	\$0	\$0	\$150,000	\$105,900	\$44,100
10502 - Rancho Misc Equipment- FY11-12	70.6%	29.4%	\$27,625	\$27,625	\$9,429	\$0	\$18,196	\$12,846	\$5,350
10512 - Tapia: Primary Tank Rehab	70.6%	29.4%	\$0	\$343,000	\$0	\$0	\$343,000	\$242,158	\$100,842

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Job # - Description	LV %	TSD %	Prior Year Unexpended Appropriations	Current Year Working Capital Requirement	Current Year Expenditures	Contractual Commitments	Project Balance	LV Balance	TSD Balance
10513 - Tapia Gate & Drive Rpl-FY12-13	70.6%	29.4%	\$0	\$160,000	\$0	\$0	\$160,000	\$112,960	\$47,040
10515 - Sanitation Master Plan Update	70.6%	29.4%	\$0	\$62,500	\$5,174	\$50,625	\$6,701	\$4,731	\$1,970
10516 - Recycled Water Master Plan	70.6%	29.4%	\$0	\$62,500	\$5,230	\$68,606	(\$11,336)	(\$8,003)	(\$3,333)
10519 - Misc. CIP (Bandsaw)	70.6%	29.4%	\$0	\$10,000	\$0	\$0	\$10,000	\$7,060	\$2,940
10520 - SCADA System Communicn Upgr	70.6%	29.4%	\$0	\$46,550	\$0	\$0	\$46,550	\$32,864	\$13,686
10522 - Rsvr #2 Imprmnt (Lining Cover	70.6%	29.4%	\$0	\$50,000	\$26,918	\$38,276	(\$15,194)	(\$10,727)	(\$4,467)
10534 - SOLAR ENERGY PROJECT	70.6%	29.4%	\$0	\$50,000	\$36,671	\$18,750	(\$5,421)	(\$3,827)	(\$1,594)
10536 - Agoura Rd RW 8"-Ladyface-Cornl	70.6%	29.4%	\$0	\$100,000	\$0	\$0	\$100,000	\$70,600	\$29,400

**Multi-Year Projects**

	\$780,354	\$9,555,227	\$2,447,763	\$7,037,467	\$69,997	\$49,418	\$20,579
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**Totals**

	\$1,631,577	\$11,511,220	\$3,478,278	\$7,321,390	\$711,552	\$502,356	\$209,196
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**Totals: Las Virgenes MWD**

	\$1,151,893	\$8,126,922	\$2,455,664	\$5,168,901	\$502,356		
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**Totals: Triunfo Sanitation District**

	\$479,684	\$3,384,299	\$1,022,614	\$2,152,489	\$209,196		
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**Las Virgenes - Triunfo Joint Powers Authority  
Capital Improvement Projects Working Capital**

**Fiscal Year 2012-13 - through June 30, 2013 - Preliminary**

Job # - Description	LV %	TSD %	Working Capital Requirement			Expenditures			
			per Budget	Current Est	LV Share	TSD Share	Total	LV Exp	TSD Exp
10257 - Combined Heat & Power (CHP)	70.60%	29.40%	\$0	\$84,577	\$59,711	\$24,866	\$12,077	\$8,526	\$3,551
10387 - Rancho Material Handling Imprv	70.60%	29.40%	\$110,900	\$102,660	\$72,478	\$30,182	\$1,068	\$754	\$314
10391 - RLV:Compost Reactor Bldg Ceilg	70.60%	29.40%	\$0	\$49,471	\$34,927	\$14,545	\$13,403	\$9,463	\$3,940
10418 - Rehab 18" RW Pipe (Tapia/Mlhd)	70.60%	29.40%	\$185,000	\$183,452	\$129,517	\$53,935	\$260,435	\$183,867	\$76,568
10446 - Buffer Land at Rancho	70.60%	29.40%	\$250,000	\$250,000	\$176,500	\$73,500	\$0	\$0	\$0
10448 - Rancho Polymer Feed System Reh	70.60%	29.40%	\$114,064	\$114,064	\$80,529	\$33,535	\$32,038	\$22,619	\$9,419
10451 - Tapia Gate & Drive Replacement	70.60%	29.40%	\$245,065	\$244,231	\$172,427	\$71,804	\$70,275	\$49,614	\$20,661
10453 - Tapia/Rancho Vulnerability Ass	70.60%	29.40%	\$0	\$50,000	\$35,300	\$14,700	\$0	\$0	\$0
10457 - Tapia Altrmtv Disinfectn Study	70.60%	29.40%	\$1,392,287	\$1,379,777	\$974,122	\$405,654	\$1,284,806	\$907,073	\$377,733
10462 - Tapia: 20/24" Inflnt FrcMainUp	70.60%	29.40%	\$721,825	\$265,054	\$187,128	\$77,926	\$478,022	\$337,484	\$140,538
10487 - Construct 3rd Digester @Rancho	70.60%	29.40%	\$6,358,208	\$6,565,759	\$4,635,426	\$1,930,333	\$787,062	\$555,666	\$231,396
10492 - Groundwater Suplmt Study-RW	70.60%	29.40%	\$25,000	\$25,000	\$17,650	\$7,350	\$0	\$0	\$0
10493 - Tapia: Sludge Screening	70.60%	29.40%	\$0	\$385,000	\$271,810	\$113,190	\$0	\$0	\$0
10499 - Tapia Grit Cyclone ConveyorSys	70.60%	29.40%	\$150,000	\$150,000	\$105,900	\$44,100	\$0	\$0	\$0
10502 - Rancho Misc Equipment- FY11-12	70.60%	29.40%	\$0	\$27,625	\$19,503	\$8,122	\$9,429	\$6,657	\$2,772
10512 - Tapia: Primary Tank Rehab	70.60%	29.40%	\$343,000	\$343,000	\$242,158	\$100,842	\$0	\$0	\$0
10513 - Tapia Gate & Drive Rpl-FY12-13	70.60%	29.40%	\$160,000	\$160,000	\$112,960	\$47,040	\$0	\$0	\$0
10515 - Sanitation Master Plan Update	70.60%	29.40%	\$62,500	\$62,500	\$44,125	\$18,375	\$5,174	\$3,653	\$1,521
10516 - Recycled Water Master Plan	70.60%	29.40%	\$62,500	\$62,500	\$44,125	\$18,375	\$5,230	\$3,692	\$1,538
10519 - Misc. CIP (Bandsaw)	70.60%	29.40%	\$10,000	\$10,000	\$7,060	\$2,940	\$0	\$0	\$0
10520 - SCADA System Communicn Upgrd	70.60%	29.40%	\$46,550	\$46,550	\$32,864	\$13,686	\$0	\$0	\$0

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ITEM 8



Job # - Description	Working Capital Requirement			Expenditures			
	per Budget	Current Est	LV Share	TSD Share	Total	LV Exp	TSD Exp
10522 - Rsvr #2 Imprvmt (Lining Cover)	\$50,000	\$50,000	\$35,300	\$14,700	\$26,918	\$19,004	\$7,914
10523 - Rancho LV:Ovation Upgrade	\$750,000	\$750,000	\$529,500	\$220,500	\$455,670	\$321,703	\$133,967
10534 - SOLAR ENERGY PROJECT	\$50,000	\$50,000	\$35,300	\$14,700	\$36,671	\$25,890	\$10,781
10536 - Agoura Rd RW 8"-Ladyface-Cornl	\$100,000	\$100,000	\$70,600	\$29,400	\$0	\$0	\$0
<b>Totals</b>	<b>\$11,186,899</b>	<b>\$11,511,220</b>	<b>\$8,126,922</b>	<b>\$3,384,299</b>	<b>\$3,478,278</b>	<b>\$2,455,664</b>	<b>\$1,022,614</b>

**Footnotes**

- 3 Unbudgeted Labor and General Administrative expenses = \$177,042
- 5 Appropriate additional \$568,532, approved by JPA Board of Directors, 7/2/2012, Item 5A. Unbudgeted Labor and General Administrative expenses = \$293,761
- 9 Appropriate additional \$34,770, approved by JPA Board of Directors, 11/5/2012, Item 5D.
- 11 Appropriate additional \$2,264,582, approved by JPA Board of Directors, 2/4/2013, Item 6E.
- 12 Appropriate additional \$30,000, approved by JPA Board of Directors, 2/4/2013, Item 6F.
- 13 Appropriate additional \$50,000, approved by JPA Board of Directors, 2/4/2013, Item 6G.
- 15 Appropriate additional \$562,208, approved by JPA Board of Directors, 3/4/2013, Item 6C.
- 18 Appropriate funds of \$100,000 approved by JPA Board of Directors, 6/3/13, Item 6A.

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**August 5, 2013 JPA Board Meeting**

TO: JPA Board of Directors

FROM: Finance & Administration

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**Subject: Renewal of Aluminum Sulfate Contract**

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**SUMMARY:**

On July 12, 2011, the Board awarded a one-year contract with two one-year renewal options to General Chemical Corporation for the purchase of aluminum sulfate. The District uses aluminum sulfate at the Tapia Water Reclamation Facility to enhance the coagulation of solids prior to the filtration process. The initial year and first renewal option were successfully completed, and staff negotiated the final renewal with no increase in cost. On May 20, 2013, the final one-year renewal option was executed by staff.

**FINANCIAL IMPACT:**

The approved Fiscal Year 2013-14 Budget provides funding of \$24,830 for the purchase of aluminum sulfate. Based on a three-year average usage of 20,300 gallons, the estimated cost for Fiscal Year 2013-14 is \$32,000. Although this estimated amount is slightly over budget, staff expect to remain within budget for the Treatment/Reclamation Operations Division due to normal variances in budget-to-actuals in other areas.

**DISCUSSION:**

General Chemical Corporation has consistently and reliably provided this product and service to the District. While the chemical market has remained flat in the last year based on the Producer Price Index, transportation, staffing, and other related costs have risen. As a result, staff believes that the existing contract pricing is favorable given current economic conditions. General Chemical Corporation agreed to honor the same terms and conditions, including holding the current price of \$1.566 per gallon, or \$580.00 per dry ton, with delivery. The term of the renewal will be from July 29, 2013, through July 28, 2014.

Prepared By: Gretchen Bullock, Buyer