

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

5:00 PM

September 3, 2013

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was led by District Manager Mark Norris

1. CALL TO ORDER AND ROLL CALL

A. Call to order and roll call:

The meeting was called to order at 5:00 p.m. by Director McReynolds in the Oak Park Library and the Clerk of the Board Bodenhamer called the roll. Those answering present were Directors Caspary, McReynolds, Orkney, Paule, Peterson, Polan, Renger, Steinhardt and Wall. Absent: Director Iceland.

2. APPROVAL OF AGENDA

A. Approval of agenda

On a motion by Director Michael Paule, seconded by Director Charles Caspary, the Board of Directors voted 9-0 -1 to Approve the JPA Regular Board Meeting of 9/3/2013, as presented.

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

ABSENT: Director(s) Iceland

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

No speaker cards were received from the public.

Administering Agent/General Manager Pedersen asked to hold off on Item 4A until the consultants who were expected to speak on the item arrived at the meeting.

4. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS

A 2013 Master Plans Update: Projected Wastewater Generation Rates and Future Recycled Water Demands

Mike Joyce from Kennedy Jenks gave a presentation on the Master Plan Update. Kennedy Jenks is developing reliable planning criteria for the Master Plan; SCAG Data, Census Data and Land Use Data will be used; historical wastewater flows to Tapia WRF were

studied; there is a large area of underdeveloped land; 1200 acres that could be potentially served. Director of Facilities and Operations Lippman stated that Kennedy Jenks worked with Mark Norris; none of that area is anticipated to be developed.

Saik-Choon Poh from HDR presented on recycled water in regards to the Master Plan. His presentation reflected future demands and modeling scenarios for the JPA's Master Plan. The red lines in his presentation are proposed recycled waterlines. JPA questions included: Homeowners condos are not seen, why? (Lippman: will verify if pipeline is there) Poh: Conejo Creek extension will include all parks; Decker Canyon extension was never constructed due to the cost; Hidden Hills, Woodland Hills and Pierce College extensions were all noted. JPA question: Where is Sherwood Golf Course? (Mr. Lippman located the Lake Sherwood line) Poh: upon approval of the Master Plan, the demands and scenarios will be refined; JPA question: Will there be sufficient supplies to meet future recycled water demands? (Pedersen: scenario E plus proposed extensions, sufficient capacity with seasonal storage reservoir) With calculating demand, how can the culture be changed to feed the green belts or use recycled water? (Lemieux: that is a legal issue)

5. ACTION ITEMS

A Tapia Channel Mixing Improvements: Approval of Request for Proposals

Approve the Request for Proposals for the Tapia Channel Mixing Improvements Project.

Administering Agent/General Manager Pedersen explained the Tapia Channel Mixing Improvement is a CIP item for the Fiscal Year. The Channel Air Mixing System at Tapia needs replacement; the mixing system keeps the solids in suspension.

Director of Facilities and Operations Lippman: Carollo completed a process air evaluation and recommended to fix the air leaks; it is a \$1.4 million project. Reclamation Manager Dingman passed around a part to show what the system looks like; it can create odors and go septic and have additional problems; the existing materials will be replaced with steel; asking for action to approve the RFP.

JPA questions included: What is meant by "a better process"? (Lippman: better mixing of solids) Are the diffusers being replaced? (Lippman: no) What is the life expectancy? (Lippman: 20 to 30 years) What is the construction cost? (Lippman: you will be updated as we have more information) Will it help to reduce the nitrogen? (Lippman: no) Do we have operational flexibility? (Lippman: we will once it is replaced)

On a motion by Director Lee Renger, seconded by Director Janna Orkney, the Board of Directors voted 9-0 -1 to Approve the recommendation as presented.

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

ABSENT: Director(s) Iceland

B Woodland Hills Country Club Recycled Water System Extension: Approval of Term Sheets

Approve the term sheets for the Woodland Hills Country Club Recycled Water System Extension.

Administering Agent/General Manager Pedersen reported there are 2 draft term sheets for consideration; Department of Water and Power is proposing to pay the capital cost; the pipeline is 4.5-5 miles long; JPA was going to finance and fund but DWP will pay now; there will be a 10% administrative fee to DWP for services provided to DWP by JPA.

Director of Facilities and Operations Lippman added if the draft agreement is approved with the request for proposals, they are motivated to start; recycling wholesale cost includes potable water supplement and with DWP paying; the price escalation will be based on the CPI. JPA questions included: If customers require summer supplemental, what do we do when DWP is taking it? How is it balanced? (Lippman: it includes supplement of increased usage; it will not affect the ratepayers) (Pedersen: seasonal storage will have advantages and it's a long term effort; it's a 30 year agreement) (Lippman: we have an off-ramp if necessary; the facilities are owned and operated by the JPA) If supplemental water is used, does that go against 20% by 2020? Concern was expressed that the rates are not being raised based on potable and that it is based on the CPI; If it's a JPA project, then is water 29% TSD? (Lippman: that is correct) When will we be reimbursed for construction? (Lippman: after the agreements are done and the award is made on the contract, the money can be drawn from an escrow account) Is the term sheet cost shared on a prorated basis to be reimbursed? (Pedersen: if you refer to chart 7i on the draft term sheet, admin cost will be prorated) (Lippman: DWP will not reimburse the administrative cost for JPA's share) Will the agreement drive the need for Seasonal Water Storage? (Pedersen: that's a timing issue with 4k AF per year) (Lippman: the pipeline will be sized to serve) (JPA is concerned with the CPI as opposed to the potable water cost) (Pedersen: it's priced by the AF; reclaimed water cost for system is not rising by potable cost; it's set at a fixed number) How long will it take to build? (Lippman: concern is with the escalator on the rate; he suggested to approve the item with that one exception) Isn't the potable supplement at a variable rate? (Lippman: no, the supplement of the system is at two different rates) Will we have forewarning on any increases? (Lippman: yes, we will have plenty of time) JPA comments included: the ultimate goal is to get out of the creek; the agreement has to work for both parties and there is plenty of time to rethink it before any changes are made; JPA questions: What is the CPI cost over the years? (Peterson: the last two years are not a good indicator; CPI is on the wholesale rate)

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

Director Iceland abstained from the vote as he arrived at 5:44 pm and was not present during discussion of the item.

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

ABSTAIN: Director(s) Iceland

Discussion on item 4A was resumed at this time.

6. BOARD COMMENTS

Director Polan would like to see more recycled water use.

Director Orkney requested to have numbered pages on the agenda, even if it is hand numbered.

7. ADMINISTERING AGENT/GENERAL MANAGER REPORT

Administering Agent/General Manager Pedersen gave an update on the solar project; construction start date is September 9th; the Third Digester Project is progressing; we had a visit at the composting facility from Santa Rosa; they want to replicate what we have; September 28th there will be a Watershed Tour and the City Managers are invited; all Board Members should attend; Director Orkney asked if the school districts are invited? (Pedersen: there could possibly be another tour at a later date and they would be invited at

that time but there may not be enough room on this tour)

8. FUTURE AGENDA ITEMS

9. INFORMATION ITEMS

- A** Renewal of Sodium Bisulfite Contract
- B** Renewal of Sodium Hypochlorite Contract

10. PUBLIC COMMENTS

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The meeting convened into break at 6:50 pm.

11. CLOSED SESSION

The meeting reconvened into Closed Session at 6:54 pm.

- A** Conference with District Counsel - Potential Litigation (Government Code Section 54956.9): One Case 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: Heal the Bay, Inc. v. Lisa P. Jackson
- C** Conference with District Counsel - Existing Litigation (Government Code Section 54956.9(a)): Las Virgenes Municipal Water District vs. Onsite Power Systems, Inc.

12. ADJOURNMENT

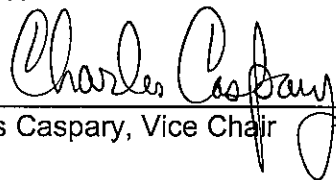
The meeting convened into Open Session at 7:09 pm. No reportable actions were taken during Closed Session.

Chair McReynolds declared the meeting adjourned at 7:10 pm.



Michael McReynolds, Chair

ATTEST:



Charles Caspary, Vice Chair