

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

5:00 PM

March 3, 2014

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Chair Charles Caspary.

**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 Chair Caspary in the Oak Park Library. Secretary of the Board, Joanne Bodenhamer called the roll. Those answering present were Directors Caspary, Iceland, McReynolds, Orkney, Paule, Peterson, Polan, Renger, Steinhardt and Wall.

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

*On a motion by Director Michael Paule, seconded by Director Steven Iceland, the Board of Directors voted 10-0 to Approve the agenda for the JPA Meeting of March 3, 2014, as presented.*

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

**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.

**4. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS****A** **JPA Budget Workshop for Fiscal Year 2014-15**

Administering Agent/General Manager Pedersen gave an overview of the content for the Budget Workshop; Interim Director of Finance and Administration, Joseph Lillio stated that there were no concrete numbers yet discussed the trends affecting the budget; the Board decided to use 90% of projected current year wholesale recycled water demands for budgetary purposes in FY 2014-15, which comes to 6,163 AF, this year only instead of the past practice of using a 3-year average.

Financial Analyst, Mike Hamilton reviewed an Allocation of Joint Powers Expenses to Participants document and noted that column A was sewer expenses based on the total cost of construction; column B was reserved capacity rights; column C was participants' flow from each of the agencies; column D was the cost shared equally which represents the audit cost and column E was the revenues on the reserve funds.

Extensive discussion took place on the item. Several questions were asked including: what about depreciation that wasn't captured prior to the JPA Board adding the line item to the computation? What about including components for both depreciation and capital expense? Over how many years are the JPA key assets depreciated? Why not consider the value of recycled water instead of its costs and consider changing the JPA agreement, if necessary? Mike Hamilton responded to the questions.

A question arose on who is the JPA's attorney. It was determined that both Legal Counsel Matthews and Lemieux are involved in JPA matters but that Lemieux is the JPA's attorney as he is the one who files for the JPA.

Director Orkney requested a future agenda item on the topic of depreciation to include choices with past depreciation, combining depreciation and capital and revising the useful life of assets.

Interim Director of Finance and Administration, Lillio advised that the JPA can choose the life of an asset but cannot expense out an asset; that will not meet government accounting guidelines; industry standards need to be used. Director Orkney requested to see the standards at the next meeting.

Calleguas General Manager, Susan Mulligan spoke and stated that CMWD is doing a cost of service study for its recycled water operations.

## **B Sanitation and Recycled Water Master Plan Updates: Preliminary Review**

Administering Agent/General Manager Pedersen gave an overview of the item and asked Director of Facilities & Operations, David Lippman to give an update and review the preliminary results of the Master Plan effort.

Roger Null from Kennedy/Jenks Consultants spoke on the Master Plan goals, updates and purpose and then turned it over to Mike Joyce from Kennedy/Jenks.

Mr. Joyce presented the Sanitation Master Plan update which included a discussion of wastewater flows vs. Tapia capacity; process evaluation findings at Tapia; process evaluation findings at Rancho and a proposed CIP total project cost of \$19.7 million.

Discussion took place on the item and questions were answered.

Dan Ellison from HDR presented on the 2014 Recycled Water Master Plan, which included: scope of 2014 RWMP update; the existing system is already ambitious; RW sales have been flat since 2000; supply and demand selling 100% of RW; future pipeline extensions map; Thousand Oaks Blvd. extension; Oak Park HOA conversions; Lake Sherwood pipeline future customers; Conejo Creek Park extension and the alternative Decker Canyon extension.

Discussion on the item took place and questions were answered. Discussion also took place regarding Malibu Golf Course.

Mr. Ellison continued his presentation, which included: Decker Canyon extension; Hidden Hills extension; Pierce College extension; how the model compared to the results of the system; modeling results of Oak Park Tank, Indian Hills Tank and Lake Sherwood System; hydraulic analysis; cost analysis for Cal Water, Oak Park, LVMWD and LADWP; and other possible projects.

Director Orkney requested to add the parks and school yards to the list of recycled water projects.

Discussion took place and questions were answered.

Director Caspary requested that staff report back with more information on the analysis for the economic feasibility figure. Director Peterson asked that staff look more closely at the 1,500 AF/Y figure for the Seasonal Storage Reservoir and the \$/AF/Y because it looks so high.

Convened to break at 7:22 p.m.

Reconvened at 7:27 p.m.

### **C JPA Infrastructure Investment Plan: Fiscal Year 2014-15 through 2017-18**

Receive and file the draft JPA Infrastructure Investment Plan for Fiscal Years 2014-15 through 2017-18, and provide staff with feedback for incorporation in a final version of the document.

Administering Agent/General Manager Pedersen gave an overview of the item and then turned it over to Director of Facilities & Operations, David Lippman who presented on the assumptions, priorities, cost programmed for IIP, example IIP sheet, recycled water projects and sanitation projects.

Discussion took place and questions were answered.

Water Reclamation Manager, Brett Dingman spoke and passed around a Gore pamphlet and explained the Gore (Gortex) process. Mr. Dingman satisfied any questions.

## **5. CONSENT CALENDAR**

### **A Minutes: Regular Meeting of February 3, 2014. Approve**

*On a motion by Director Steven Iceland, seconded by Director Lee Renger, the Board of Directors voted 10-0 to Approve the Consent Calendar as presented.*

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

## **6. ACTION ITEMS**

### **A Rancho Las Virgenes Third Digester Construction: Change Order No. 4**

Authorize the General Manager/Administering Agent to approve Change Order No. 4 with Pacific Hydrotech Corporation in the amount of \$173,097.69, including extension of the contract duration by 28 calendar days for the Rancho Las Virgenes Third Digester Project; and appropriate additional funds in the amount of \$352,491 to CIP Job No. 10487.

Administering Agent/General Manager Pedersen reported the work is going well. The change order includes 11 different items and involves a contract duration extension of 28 days.

Principal Engineer, John Zhao spoke and advised that staff is working with the contractor. Mr. Zhao satisfied all questions.

Mr. Lippman advised that the price was competitive for the change order. Bill Yates from Kennedy/Jenks spoke regarding a question about other possible anticipated change orders for the future.

Discussion took place and questions were answered.

*On a motion by Director Lee Renger, seconded by Director Michael McReynolds, the Board of Directors voted 10-0 to as presented.*

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

## **B Solar Generation Project: Application of Energy Savings**

Consider three options for the application of energy cost-savings realized as a result of the operation of the Solar Generation Project and select the preferred methodology.

Administering Agent/General Manager Pedersen gave an update on the item stating it relates to wholesale recycled water rates; three options were proposed to consider and option (1) would be contingent upon CMWD's Board agreement to utilize savings accrued from lower cost of wholesale recycled water to expand the recycled water system within TSD's area; option (3) was investigated further; option (1) is to apply savings from the solar facility to the pump station; option (2) is a hybrid option; option (3) is to apply solar savings to the JPA's sanitation enterprise.

Discussion took place and questions were answered.

Calleugas General Manager, Susan Mulligan stated that they will not make an issue of what is decided, as long as it is fair for all.

Directors Iceland and McReynolds preferred option (3).

*On a motion by Director Michael Paule, seconded by Director Charles Caspary, the Board of Directors voted 7-3 to select option (1) as presented.*

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

*NOES: Director(s) Iceland , McReynolds , Steinhardt*

## **C Heal the Bay's "Bring Back the Beach" Event: Attendance**

Determine whether or not to participate in Heal the Bay's "Bringing Back the Beach" event, and, if participation is approved, authorize the Chair of each agency and the General Manager/Administering Agent to attend the event at a cost of \$500.00 per person.

Discussion took place on the item.

Attendance was approved for Administering Agent/General Manager Pedersen and Directors Caspary and McReynolds.

*On a motion by Director Glen Peterson, seconded by Director Janna Orkney, the Board of Directors voted 9-0 -1 to*

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

*ABSTAIN: Director(s) Steinhardt*

7. **BOARD COMMENTS**

Director Steinhardt spoke on the March 7th ACWA Water Bond Briefing.

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

Administering Agent/General Manager Pedersen reported that Tapia received 5.73 inches of rain with a 16.8 MGD peak flow.

It was announced that Director of Finance and Administration, Donald Patterson would be starting on March 10th.

9. **FUTURE AGENDA ITEMS**

No future agenda items were discussed.

10. **INFORMATION ITEMS**

**A Board Meeting Follow-up Items**

**B Information on Plastic Microbeads**

Director Polan made a motion to be proactive in regards to the microbeads issue; Director Steinhardt seconded the motion.

Director Polan requested that the Board make a policy statement on microbeads, Chair Caspary requested that Director Polan provide Administering Agent/General Manager Pedersen with the suggested language for future consideration by the Board.

Director Renger asked if tests were done to check the influent and effluent flows for microbeads; Mr. Dingman responded that no microbeads have been seen from the tests.

**C Recycled Water Incentive Program**

11. **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.

12. **CLOSED SESSION**

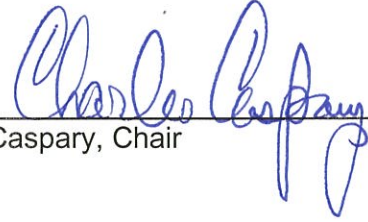
Closed session did not take place as there was no new information to report.

**A Conference with District Counsel – Existing Litigation (Government Code Section 54956.9(a)):**

1. Las Virgenes Municipal Water District vs. Onsite Power Systems, Inc.
2. Las Virgenes - Triunfo Joint Powers Authority v. United States Environmental Protection Agency
3. Heal the Bay, Inc. v. Lisa P. Jackson

13. **ADJOURNMENT**

The meeting was adjourned at 8:31 p.m.



---

Charles Caspary, Chair

ATTEST:



---

Steven Iceland, Vice Chair